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Federal Register

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This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents.

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9878]

RIN 1545-BP44

Election To Take Disaster Loss Deduction for Preceding Year

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulation and removal of temporary regulation.

SUMMARY: This document contains a final regulation relating to the election to accelerate the timing of a loss sustained by a taxpayer attributable to a federally declared disaster. Additionally, this document removes the temporary regulation.

DATES: *Effective Date:* The final regulation is effective October 11, 2019.

Applicability Date: For date of applicability, see § 1.165-11(h).

FOR FURTHER INFORMATION CONTACT: Daniel Cassano (202) 317-7011 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

This document contains amendments to the Income Tax Regulations (26 CFR part 1) under section 165(i) of the Internal Revenue Code regarding the election to deduct a loss attributable to a federally declared disaster for the taxable year prior to the year in which the disaster occurred. On October 14, 2016, a temporary regulation (TD 9789) was published in the **Federal Register** (81 FR 70938) relating to the election to take a disaster loss deduction for the preceding year. A notice of proposed rulemaking (REG-150992-13) cross-referencing the temporary regulation was also published in the **Federal Register** (81 FR 71025) on October 14, 2016. Finally, a revenue procedure (Rev. Proc. 2016-53, 2016-44 I.R.B. 530) was

published in the Internal Revenue Bulletin on October 31, 2016 (the revenue procedure with the proposed and temporary regulations collectively, “the 2016 guidance”). The 2016 guidance extended the deadline to make the section 165(i) election as well as the deadline to revoke the section 165(i) election. The 2016 guidance also clarified various rules associated with the section 165(i) election. For example, the 2016 guidance clarified that the election is made on either an original Federal income tax return for the preceding year or an amended Federal income tax return for the preceding year.¹

No public comments were received and no public hearing was requested or held. This final regulation adopts the proposed regulation substantially without change. Additionally, the temporary regulation is removed.

Special Analyses

This regulation is not subject to review under section 6(b) of Executive Order 12866 pursuant to the Memorandum of Agreement (April 11, 2018) between the Department of the Treasury and the Office of Management and Budget regarding review of tax regulations. Because the regulation does not impose a collection of information on small entities, a Regulatory Flexibility Act (5 U.S.C. chapter 6) analysis is not required. Pursuant to section 7805(f), the notice of proposed rulemaking preceding this regulation was submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business. No comments were received.

Drafting Information

The principal author of this regulation is Daniel Cassano of the Office of the Associate Chief Counsel (Income Tax & Accounting). However, other personnel from the Treasury Department and the IRS participated in its development.

Statement of Availability of IRS Documents

IRS Revenue Procedures, Revenue Rulings, Notices, and other guidance cited in this document are published in

¹To facilitate this election, Section D, *Election to Deduct Federally Declared Disaster Loss in Preceding Tax Year*, was added to Form 4684, *Casualties and Thefts*.

the Internal Revenue Bulletin and are available from the Superintendent of Documents, U.S. Government Publishing Office, Washington, DC 20402, or by visiting the IRS website at <http://www.irs.gov>.

List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

Adoption of Amendments to the Regulations

Accordingly, 26 CFR part 1 is 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 * * *

§ 1.165-11T [Removed]

■ **Par. 2.** Remove § 1.165-11T.

■ **Par. 3.** Revise § 1.165-11 to read as follows:

§ 1.165-11 Election to take disaster loss deduction for preceding year.

(a) *In general.* Section 165(i) allows a taxpayer who has sustained a loss attributable to a federally declared disaster in a taxable year to elect to deduct that disaster loss in the preceding year. This section provides rules and procedures for making and revoking an election to claim a disaster loss in the preceding year.

(b) *Definitions.* The following definitions apply for purposes of this section:

(1) *A federally declared disaster* means any disaster subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

(2) *A federally declared disaster area* is the area determined to be eligible for assistance pursuant to the Presidential declaration in paragraph (b)(1) of this section.

(3) *A disaster loss* is a loss occurring in a federally declared disaster area that is attributable to a federally declared disaster and that is otherwise allowable as a deduction for the disaster year under section 165(a) and §§ 1.165-1 through 1.165-10.

(4) *The disaster year* is the taxable year in which a taxpayer sustains a loss

attributable to a federally declared disaster.

(5) The *preceding year* is the taxable year immediately prior to the disaster year.

(c) *Scope and effect of election.* An election made pursuant to section 165(i) for a disaster loss attributable to a particular disaster applies to the entire loss sustained by the taxpayer from that disaster during the disaster year. If the taxpayer makes a section 165(i) election with respect to a particular disaster occurring during the disaster year, the disaster to which the election relates is deemed to have occurred, and the disaster loss to which the election applies is deemed to have been sustained, in the preceding year.

(d) *Requirement to file consistent returns.* A taxpayer may not make a section 165(i) election for a disaster loss if the taxpayer claims a deduction (as a loss, as cost of goods sold, or otherwise) for the same loss for the disaster year. If a taxpayer has claimed a deduction for a disaster loss for the disaster year and the taxpayer wants to make a section 165(i) election with respect to that loss, the taxpayer must file an amended Federal income tax return to remove the previously deducted loss on or before the date that the taxpayer makes the section 165(i) election for the loss. Similarly, if a taxpayer has claimed a deduction for a disaster loss for the preceding year based on a section 165(i) election and the taxpayer wants to revoke that election, the taxpayer must file an amended Federal income tax return to remove the loss for the preceding year on or before the date the taxpayer files the Federal income tax return or amended Federal income tax return for the disaster year that includes the loss.

(e) *Manner of making election.* An election under section 165(i) to deduct a disaster loss for the preceding year is made either on an original Federal income tax return for the preceding year or an amended Federal income tax return for the preceding year in the manner specified by guidance issued pursuant to this section.

(f) *Due date for making election.* The due date for making the section 165(i) election is six months after the due date for filing the taxpayer's Federal income tax return for the disaster year (determined without regard to any extension of time to file).

(g) *Revocation.* Subject to the requirements in paragraph (d) of this section, a section 165(i) election may be revoked on or before the date that is ninety (90) days after the due date for making the election.

(h) *Applicability date.* This section applies to elections and revocations that are made on or after October 16, 2019.

Sunita Lough,

Deputy Commissioner for Services and Enforcement.

Approved: September 3, 2019.

David J. Kautter,

Assistant Secretary of the Treasury (Tax Policy).

[FR Doc. 2019-22376 Filed 10-11-19; 4:15 pm]

BILLING CODE 4830-01-P

GENERAL SERVICES ADMINISTRATION

41 CFR Chapter 301 and Parts 304-2, 304-3, 304-5, and 304-6

[FTR Case 2019-301-2; Docket No. 2019-0006, Sequence 1]

RIN 3090-AK06

Federal Travel Regulation (FTR); Clarification of Payment in Kind for Speakers at Meetings and Similar Functions

AGENCY: Office of Government-Wide Policy, U.S. General Services Administration (GSA).

ACTION: Final rule.

SUMMARY: GSA is amending the FTR to change the definition of "payment in kind". The new definition provides that a waived or discounted registration fee provided by the non-Federal sponsor of a meeting or similar function is not a payment in kind to the agency for the day(s) an employee speaks, participates in a panel, or presents at the event. This rule also makes miscellaneous related corrections.

DATES: Effective November 15, 2019.

FOR FURTHER INFORMATION CONTACT: For clarification of content, contact Ms. Jill Denning, Program Analyst, Office of Government-wide Policy, at 202-208-7642. Contact the Regulatory Secretariat Division (MVCB), 1800 F Street NW, Washington, DC 20405, 202-501-4755, for information pertaining to status or publication schedules. Please cite FTR Case 2019-301-2.

SUPPLEMENTARY INFORMATION:

A. Background

GSA published a proposed rule in the **Federal Register** at 84 FR 19895 on May 7, 2019. The proposed rule noted that under 31 U.S.C. 1353, as implemented in FTR chapter 304 (41 CFR chapter 304), agencies may accept payment of travel expenses from a non-Federal source for employees to attend meetings or similar functions. Currently, the FTR

makes no distinction between employees who participate by speaking, serving on a panel or delivering a presentation, and other attendees at a meeting or similar function.

Because employees participate as a speaker, panelist, or presenter at these types of events to further the mission of their agency as a necessary and customary part of their work activities, GSA is redefining the travel purpose codes found in appendix C of chapter 301, which agencies use for travel reporting purposes. GSA is also amending chapter 304 so that a waived or discounted registration fee for the day(s) an employee participates as a speaker, panelist, or presenter is not a payment in kind. These waived and discounted registration fees will not need to be reported to the U.S. Office of Government Ethics (OGE). Other types of travel expenses paid by a non-Federal source, such as transportation, lodging, meals, and attendance on non-speaking days, or other associated event or similar function-related activities, must continue to be reviewed and reported in accordance with FTR chapter 304.

GSA acknowledges that OGE's Standards of Conduct regulations at 5 CFR 2635.203(b)(8) and (g) permit employees, in their personal capacities, to accept free attendance, including meals, at an event provided by the event sponsor, on the day(s) the employee is presenting information on behalf of the agency. However, GSA's implementation of 31 U.S.C. 1353 must be more restrictive. In particular, 31 U.S.C. 1353 applies to payments from non-Federal sources for "travel, subsistence, and related expenses" for employees traveling on official business away from their designated post of duty. This statute requires that meals provided in kind by a non-Federal source be considered a "payment in kind" to the agency, as opposed to a gift personally accepted by the employee. Specifically, the language of 31 U.S.C. 1353, when read in conjunction with 5 U.S.C. 5701 and 5702 (prescribing an entitlement for payment of subsistence expenses and defining "subsistence" to include meals) defines "payment" to include meals provided in kind by a non-Federal source. When an agency approves acceptance of meals from a non-Federal source, 31 U.S.C. 1353 also requires that employees be subject to a pro rata reduction to their per diem entitlement. Therefore, GSA's implementation of 31 U.S.C. 1353 in regulation must include meals in the definition of "payment in kind."

Accordingly, this final rule instructs employees whose agencies have authorized the acceptance of meal(s)

under 31 U.S.C. 1353 to deduct meal(s) from their meals and incidental expenses per diem on their travel voucher using the deduction amounts listed for the locality at <https://www.gsa.gov/mie> unless they are unable to consume the meal(s) due to an exception provided in FTR § 301–11.18. This practice should prove efficient to agencies compared to current practice in which agency officials request from the non-Federal source a breakout of the costs of each meal provided in kind.

As noted above, the final rule states that if agencies accept a registration fee waiver or discount *on the day(s)* when employees are serving as a speaker, panelist, or presenter, such waiver or discount is not a payment in kind (emphasis added). However, if an employee attends a multi-day event on days they are not speaking, serving on a panel, or presenting, a registration fee waiver or discount for the days the employee merely attends the event is a payment in kind. This rule is implemented for better consistency with 5 CFR 2635.203(b)(8).

Finally, the amendment updates website links in the definitions portion of chapter 304, updates a CFR reference at the note accompanying § 304–3.19(d), and adds a sentence to an explanatory note to the aforementioned subsection noting the difference between employee acceptance of gifts in their personal capacity per OGE Standards of Ethical Conduct regulations versus employees on official travel obtaining agency authorization to accept payments on behalf of the agency per 31 U.S.C. 1353.

B. Analysis of Public Comments

Two comments were received during the public comment period:

Comment 1: The commenter agreed with the general sentiment of the rule.

Response 1: GSA concurs.

Comment 2: The commenter suggested that GSA add to § 304–3.19 that agencies have the ability to waive multi-day registrations under their agency’s gift acceptance authority.

Response 2: GSA believes the gift authority concept is sufficiently noted

in both § 304–3.19 and other relevant sections in chapter 304. GSA recognizes that permitting agencies to waive the registration fee for the duration of a multi-day meeting or similar function might have provided additional efficiency for agency authorizing officials; however, adopting such a proposal could create confusion because it is inconsistent with 5 CFR 2635.203(b)(8) of the OGE Standards of Ethical Conduct regulations.

C. Changes in This Final Rule

GSA is not making any substantive changes from the proposed rule regulatory changes published May 7, 2019.

D. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives, and if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This final rule is not a significant regulatory action, and therefore, was not subject to review under Section 6(b) of E.O. 12866, Regulatory Planning and Review, dated September 30, 1993.

E. Executive Order 13771

This final rule is not subject to the requirements of E.O. 13771 (82 FR 9339, February 3, 2017) because this final rule is not significant under E.O. 12866.

F. Regulatory Flexibility Act

This final rule will not have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.* This final rule is also exempt from the Administrative Procedure Act per 5

U.S.C. 553 (a)(2), because it applies to agency management or personnel.

G. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because the changes to the Federal Travel Regulation do not impose recordkeeping or information collection requirements, or the collection of information from offerors, contractors, or members of the public that require the approval of the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

H. Small Business Regulatory Enforcement Fairness Act

This final rule is also exempt from Congressional review prescribed under 5 U.S.C. 801 since it relates solely to agency management and personnel.

List of Subjects in 41 CFR Appendix C to Chapter 301 and Parts 304–2, 304–3, 304–5, and 304–6

Government employees, Travel and transportation expenses.

Dated: October 7, 2019.

Emily W. Murphy,
Administrator, General Services Administration.

For the reasons set forth in the preamble, under 5 U.S.C. 5701–5709, and 31 U.S.C. 1353, GSA is amending 41 CFR appendix C to chapter 301 and parts 304–2, 304–3, 304–5, and 304–6 as set forth below:

Appendix C to Chapter 301 [Amended]

■ 1. Add an authority citation for 41 CFR appendix C to chapter 301 to read as follows:

Authority: 5 U.S.C. 5707.

■ 2. In appendix C to chapter 301, amend the first table by—

■ a. Revising the entry for Travel Purpose Identifier, “Mission (Operational)”;

■ b. Revising the entry for Travel Purpose Identifier, “Conference-Other Than Training”.

The revisions read as follows:

APPENDIX C TO CHAPTER 301—STANDARD DATA ELEMENTS FOR FEDERAL TRAVEL
[traveler identification]

Group name	Data elements	Description
* Mission (Operational)	* * * * *	Travel to a particular site in order to perform operational or managerial activities. Travel to a conference to serve as a speaker, panelist, or provide information in one’s official capacity. Travel to attend a meeting to discuss general agency operations, review status reports, or discuss topics of general interest. <i>Examples:</i> Employee’s day-to-day operational or managerial activities, as defined by the agency, to include, but not be limited to: hearings, site visit, information meeting, inspections, audits, investigations, and examinations.

APPENDIX C TO CHAPTER 301—STANDARD DATA ELEMENTS FOR FEDERAL TRAVEL—Continued
[traveler identification]

Group name	Data elements	Description
*	* Conference—Other Than Training.	* Travel performed in connection with a prearranged meeting, retreat, convention, seminar, or symposium for consultation or exchange of information or discussion. Agencies have to distinguish between conference and training attendance and use the appropriate identifier (see Training below). <i>Examples:</i> To engage in a planned program as a host, planner, or others designated to oversee the conference or attendance with no formal role, or as an exhibitor.
*	*	*

* * * * *
PART 304–2—DEFINITIONS

■ 3. The authority citation for 41 CFR part 304–2 continues to read as follows:

Authority: 5 U.S.C. 5707; 31 U.S.C. 1353.

■ 4. Amend § 304–2.1 by—

■ a. Removing from the definition of “Meeting(s) or similar functions (meeting)”, the phrase “(i.e., a function that is essential to an agency’s mission)”.

■ b. Revising final sentence of the definition “Payment in kind”; and

■ c. Revising the last two sentences of the definition “Travel, subsistence, and related expenses (travel expenses)”.

The revisions read as follows:

§ 304–2.1 What definitions apply to this chapter?

* * * * *
Payment in kind * * * Payment in kind also includes waiver or discount of any fees that a non-Federal source collects from meeting attendees (e.g., registration fees), but does not include waivers or discounts of an employee’s fees on the day(s) they are participating in the meeting or similar function as a speaker, panelist, or presenter.

Travel, subsistence, and related expenses (travel expenses) * * * The Foreign Affairs Manual is available for download from the internet at *FAM.state.gov*. The Joint Travel Regulations are available for download at *http://www.defensetravel.dod.mil/site/travelreg.cfm*.

PART 304–3—EMPLOYEE RESPONSIBILITY

■ 5. The authority citation for 41 CFR part 304–3 continues to read as follows:

Authority: 5 U.S.C. 5707; 31 U.S.C. 1353.

■ 6. Add § 304–3.10 to read as follows:

§ 304–3.10 Is my agency’s acceptance of a waived or discounted registration fee from a non-Federal sponsor of a meeting or similar function considered a payment in kind for the day(s) I am participating as a speaker, panelist, or presenter at the event?

(a) No. Your agency’s acceptance of a waived or discounted registration fee from the non-Federal sponsor of the event is not a payment in kind for the day(s) you are participating as a speaker, panelist, or presenter. However, your agency’s acceptance of a waived or discounted registration fee is a payment in kind for the days you only attend the event (i.e., on the day(s) you are not participating as a speaker, panelist, or presenter).

(b) Lodging, transportation, meals, event tickets, or other similar items of value provided by a non-Federal source are a payment in kind. If these types of expenses are included in a registration fee that is waived or discounted on the day(s) you are participating as a speaker, panelist, or presenter, you may accept them only with your agency’s approval in accordance with this chapter.

Specifically, if the registration fee includes meal(s), the meal(s) are a payment in kind. You may accept the meal(s) only if authorized to do so by your agency. If your agency authorizes acceptance of meal(s), you must also deduct the meal(s) from your M&IE per diem on your travel voucher using the deduction amounts listed for the locality at *https://www.gsa.gov/mie* unless you are unable to consume the meal(s) due to an exception provided in § 301–11.18 of this chapter.

■ 7. Amend § 304–3.19(d) by revising the third sentence to read as follows:

§ 304–3.19 Are there other situations when I may accept payment from a non-Federal source for my travel expenses?

* * * * *
(d) * * * (Note: You may also be able to accept attendance at, but not other travel expenses to, a widely attended gathering under 5 CFR 2635.204(g) when the gathering is not a meeting, as defined in this part, and you are not

attending in your official capacity. Unless authorized to do so by your agency, you may not accept travel, subsistence, or related expenses, including meals, offered by a non-Federal source for participation as a speaker, panelist, or presenter at a meeting or similar function that takes place away from your permanent duty station. Such expenses are considered payments in kind and must be accepted, if at all, in accordance with this part.)

PART 304–5—AGENCY RESPONSIBILITIES

■ 8. The authority citation for 41 CFR part 304–5 continues to read as follows:

Authority: 5 U.S.C. 5707; 31 U.S.C. 1353.

■ 9. Add § 304–5.7 to read as follows:

§ 304–5.7 How do we review offers of payments in kind from the non-Federal sponsor or organizer of a meeting or similar function for items such as meals, transportation, and lodging when they are included in a waived or discounted registration fee?

(a) If the non-Federal sponsor or organizer of a meeting or similar function offers to waive or discount the registration fee of an employee who is only attending the event, you are not required to separately authorize acceptance of any items included in the registration fee. If applicable, acceptance of the registration fee must be reported to U.S. Office of Government Ethics (OGE) in accordance with part 304–6 of this chapter.

(b) When a waived or discounted registration fee is not a payment in kind pursuant to § 304–3.10 of this chapter, the employee may only accept items that you authorize separately. If applicable, the value of any payments in kind so accepted should be reported to OGE in accordance with part 304–6 of this chapter. In particular, if a registration fee is waived or discounted on the day(s) an employee is participating as a speaker, panelist, or presenter, and the registration fee includes meal(s), the employee may

accept meal(s) as a payment in kind only if you review the offer and authorize acceptance. Review the reporting guidelines at § 304–6.4 of this chapter to see if the aggregated meal amounts (if more than one meal, or meals of both an employee and spouse) will need to be reported to OGE.

PART 304–6—PAYMENT GUIDELINES

■ 10. The authority citation for 41 CFR part 304–6 continues to read as follows:

Authority: 5 U.S.C. 5707; 31 U.S.C. 1353.

■ 11. Amend § 304–6.6 by revising paragraphs (a) and (c) to read as follows:

§ 304–6.6 How do we determine the value of payments in kind that are to be reported on Standard Form (SF) 326?

* * * * *

(a) For conference, training, or similar fees waived, discounted, or paid for by a non-Federal source on behalf of a meeting attendee, you must report the amount charged to other attendees. However, a waiver or discount of the registration fee by the non-Federal sponsor of the event for the day(s) the

employee participated in the meeting or similar function as a speaker, panelist, or presenter is not a payment in kind and does not need to be reported.

* * * * *

(c) For meals, you must use the M&IE deduction chart for CONUS and OCONUS located at www.gsa.gov/mie and report the appropriate amount for each meal based on the temporary duty locality.

* * * * *

[FR Doc. 2019–22324 Filed 10–15–19; 8:45 am]

BILLING CODE 6820–14–P

Proposed Rules

Federal Register

Vol. 84, No. 200

Wednesday, October 16, 2019

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 HOMELAND SECURITY

U.S. Citizenship and Immigration Services

8 CFR Parts 204, 205, and 245

[CIS No. 2474-09; DHS Docket No USCIS-2009-0004]

RIN 1615-AB81

Special Immigrant Juvenile Petitions

AGENCY: U.S. Citizenship and Immigration Services, Department of Homeland Security.

ACTION: Proposed rule; reopening of the comment period.

SUMMARY: The Department of Homeland Security (DHS) announces the reopening of the public comment period for the proposed rule titled, Special Immigrant Juvenile Petitions, 76 FR 54978. DHS published the proposed rule on September 6, 2011, and accepted comments until November 7, 2011. To provide the public with further opportunity to comment on the proposed rule, DHS will reopen the comment period for an additional 30 days. DHS will consider comments received during the entire public comment period in its development of a final rule.

DATES: The comment period for the proposed rule published on September 6, 2011 (76 FR 23534) is reopened. You must submit written comments and related material on or before November 15, 2019.

ADDRESSES: You may submit comments on the entirety of this proposed rule package, to include the proposed information collection requirements, which is identified as DHS Docket No. USCIS-2009-0004, by any *one* of the following methods:

- *Federal eRulemaking Portal* (preferred): <http://www.regulations.gov>. Follow the website instructions for submitting comments.
- *Mail:* Samantha Deshommes, Chief, Regulatory Coordination Division,

Office of Policy and Strategy, U.S. Citizenship and Immigration Services, Department of Homeland Security, 20 Massachusetts Avenue NW, Washington, DC 20529-2140. To ensure proper handling, please reference DHS Docket No. USCIS-2009-0004 in your correspondence. Mail must be postmarked by the comment submission deadline. Please note that we will not accept any comments that are hand delivered or couriered. In addition, we will not accept any comments that are on removable media (*e.g.*, thumb drives, CDs, etc.). All comments that are mailed must be addressed as specifically written above.

FOR FURTHER INFORMATION CONTACT:

Maureen Dunn, Chief, Division of Humanitarian Affairs, Office of Policy & Strategy, U.S. Citizenship and Immigration Services, Department of Homeland Security, 20 Massachusetts Avenue NW, Washington, DC 20529-2140; telephone number 202-272-8377 (This is not a toll-free number. Comments are not accepted via telephone message).

SUPPLEMENTARY INFORMATION:

I. Public Participation

Interested persons are invited to participate in this rulemaking by submitting written data, views, or arguments on all aspects of this rule. DHS also invites comments that relate to the economic or federalism effects that might result from this rule. Comments that will provide the most assistance to DHS will reference a specific portion of the rule, explain the reason for any recommended change, and include data, information, or authority that support such recommended change.

Instructions: All submissions received must include the agency name and DHS Docket No. USCIS-2009-0004.

Providing comments is entirely voluntary. Regardless of how comments are submitted to DHS, all submissions will be posted, without change, to the Federal eRulemaking Portal at <http://www.regulations.gov> and will include any personal information provided by commenters. Because the information submitted will be publicly available, commenters should consider limiting the amount of personal information provided in each submission. DHS may withhold information provided in comments from public viewing if it determines that such information is offensive or may affect the privacy of an

individual. For additional information, please read the Privacy Act notice available through the link in the footer of <http://www.regulations.gov>.

Docket: For access to the docket, go to <http://www.regulations.gov> and enter this rulemaking's eDocket number: USCIS-2009-0004.

II. Background

On September 6, 2011, DHS published a Notice of Proposed Rulemaking (NPRM) in the **Federal Register** at 76 FR 54978 and received 58 public comments. USCIS proposed to amend its regulations governing the Special Immigrant Juvenile (SIJ) classification, *see* Immigration and Nationality Act (INA) sec. 101(a)(27)(J), 8 U.S.C. 1101(a)(27)(J), and related applications for adjustment of status to that of a lawful permanent resident, *see* INA sec. 245(h), 8 U.S.C. 1255(h). *See also* 8 U.S.C. 1232(d)(2). Specifically, the NPRM sought to revise DHS regulations at 8 CFR 204.11, 205.1, and 245.1 to:

- Implement statutorily mandated changes by revising the existing eligibility requirements under the following statutes:
 - Immigration and Nationality Technical Corrections Act of 1994, Public Law 103-416, 108 Stat. 4319 (Jan. 25, 1994);
 - Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1998 (CJS 1998 Appropriations Act), Public Law 105-119, 111 Stat. 2440 (Nov. 26, 1997);
 - Violence Against Women and Department of Justice Reauthorization Act of 2005 (VAWA 2005), Public Law 109-162, 119 Stat. 2960 (Jan. 5, 2006);
 - William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (TVPPRA 2008), Public Law 110-457, 122 Stat. 5044 (Dec. 23, 2008).
- Clarify the use of the term “dependency” as used in section 101(a)(27)(J)(i) of the INA, 8 U.S.C. 1101(a)(27)(J)(i), including that such dependency, commitment, or custody must be in effect when a Petition for Amerasian, Widow(er), or Special Immigrant (Form I-360) is filed and must continue through the time of adjudication, unless the age of the petitioner prevents such continuation.
 - Clarify that the viability of parental reunification with one or both of the child's parents due to abuse, neglect, or abandonment, or similar basis under

state law must be determined by the juvenile court based on applicable state law.

- Clarify that DHS consent to the grant of SIJ classification is only warranted when the petitioner demonstrates that the state court order was sought primarily for the purpose of obtaining relief from abuse, neglect, abandonment or some similar basis under state law and not primarily for the purpose of obtaining lawful immigration status; and that the evidence otherwise demonstrates that there is a bona fide basis for granting SIJ classification.

- Clarify that USCIS may seek or consider additional evidence if the evidence presented is not sufficient to establish a reasonable basis for DHS consent.

- Remove automatic revocation under 8 CFR 205.1(a)(3)(iv)(A) and (C) to the extent that they pertain to a juvenile's age and are inconsistent with age-out protections under TVPRA 2008.

- Implement statutory revisions exempting SIJ adjustment-of-status applicants from four additional grounds of inadmissibility and clarify grounds of inadmissibility that cannot be waived.

- Improve the application process by clearly listing required initial evidence that must accompany Form I-360 and amend what constitutes supporting documentation; and

- Make technical and procedural changes; and conform terminology.

DHS is reopening the comment period to refresh this proposed rule and allow interested persons to provide up-to-date comments in recognition of the time that has lapsed since the initial publication of the proposed rule. Both the public and the Government will benefit from clarifications regarding eligibility and procedures for the SIJ classification. Due to the lapse in time since the NPRM was issued, DHS seeks to reengage the public and allow further input on the proposed changes.

Kevin K. McAleenan,

Acting Secretary.

[FR Doc. 2019-22570 Filed 10-15-19; 8:45 am]

BILLING CODE 9111-97-P

DEPARTMENT OF HOMELAND SECURITY

U.S. Customs and Border Protection

DEPARTMENT OF THE TREASURY

19 CFR Parts 113, 133, 148, 151 and 177

[USCBP-2019-0037]

RIN 1515-AE26

Enforcement of Copyrights and the Digital Millennium Copyright Act

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security; Department of the Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document proposes to amend the U.S. Customs and Border Protection (CBP) regulations pertaining to importations of merchandise that violate or are suspected of violating the copyright laws, including the Digital Millennium Copyright Act (DMCA), in accordance with Title III of the Trade Facilitation and Trade Enforcement Act of 2015 (TFTEA). The proposed amendments set forth in this document are intended to clarify the definition of “piratical articles,” simplify the detention process involving goods suspected of violating the copyright laws, and prescribe new regulations enforcing the DMCA.

DATES: Comments on the proposed rule must be received on or before December 16, 2019.

ADDRESSES: You may submit comments, identified by docket number, by *one* of the following methods:

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments via docket number USCBP-2019-0037.

- *Mail:* Trade and Commercial Regulations Branch, Regulations and Rulings, Office of Trade, U.S. Customs and Border Protection, 90 K Street NE, 10th Floor, Washington, DC 20229-1177.

Instructions: All submissions received must include the agency name and docket number for this proposed rulemaking. All comments received will be posted without change to <http://www.regulations.gov>, including any personal information provided. For detailed instructions on submitting comments and additional information on the proposed rulemaking process, see the “Public Participation” heading of the **SUPPLEMENTARY INFORMATION** section of this document.

Docket: For access to the docket to read background documents or

comments received, go to <http://www.regulations.gov>. Submitted comments may also be inspected during regular business days between the hours of 9 a.m. and 4:30 p.m. at the Trade and Commercial Regulations Branch, Regulations and Rulings, Office of Trade, U.S. Customs and Border Protection, 90 K Street NE, 10th Floor, Washington, DC. Arrangements to inspect submitted comments should be made in advance by calling Joseph Clark at (202) 325-0118.

FOR FURTHER INFORMATION CONTACT: Alex Bamiagis, Intellectual Property Rights Branch, Regulations and Rulings, Office of Trade, U.S. Customs and Border Protection, (202) 325-0415.

SUPPLEMENTARY INFORMATION:

Public Participation

Interested persons are invited to participate in this rulemaking by submitting written data, views, or arguments on all aspects of the proposed rule. CBP also invites comments that relate to the economic, environmental, or federalism effects that might result from this proposed rule. If appropriate to a specific comment, the commenter should reference the specific portion of the proposed rule, explain the reason for any recommended change, and include data, information, or authority that support such recommended change.

Background

I. Purpose of Proposed Amendments

U.S. Customs and Border Protection (CBP) has responsibilities for border enforcement of intellectual property rights (IPR) laws and regulations. The majority of the CBP regulations regarding these efforts are found in part 133 of title 19 of the Code of Federal Regulations (19 CFR part 133). Part 133 provides for the recordation of trademarks, trade names, and copyrights with CBP and prescribes the enforcement procedures applicable to suspected infringing merchandise. Part 133 also sets forth procedures for the seizure and disposition of articles bearing prohibited marks or names, and piratical articles, including release to the importer in appropriate circumstances.

CBP is proposing amendments to part 133 of the CBP regulations pursuant to Title III of the Trade Facilitation and Trade Enforcement Act of 2015 (Pub. L. 114-125; 130 Stat. 122; Section 628a of the Tariff Act of 1930 (19 U.S.C. 1628a), as amended) (TFTEA). Among the changes made by TFTEA are certain provisions regarding enforcement of the Digital Millennium Copyright Act (Pub.

L. 105–304, 112 Stat. 2860, as amended by Pub. L. 106–113, 113 Stat. 1536, (codified at 17 U.S.C. 1201)) (DMCA). Among other things, the DMCA prohibits the importation of devices used to circumvent the technological measures used by certain copyright owners to protect their works (“copyright protection measures”). Section 303(a) of TFTEA specifically provides that CBP may seize merchandise containing a circumvention device violating the DMCA.

TFTEA requires CBP to make certain pre-seizure disclosures to right holders if CBP determines that these disclosures would assist the agency in determining whether imported merchandise violates the copyright laws, including the DMCA. These disclosures assist CBP in determining whether certain goods are, in fact, in violation of the copyright laws, including the DMCA.

The proposed amendments to part 133 of the CBP regulations provide for such disclosures upon detention of merchandise suspected of violating the copyright laws, including the DMCA. In accordance with TFTEA, these pre-seizure disclosures may only be made where the copyright has been recorded with CBP. In accordance with TFTEA, CBP will not provide these disclosures when doing so would compromise an ongoing law enforcement investigation or national security.

As noted above, TFTEA provides for seizure of merchandise containing a circumvention device in violation of the DMCA. TFTEA directs CBP to disclose to persons injured by merchandise seized for violation of the DMCA information equivalent to the information disclosed to copyright owners when merchandise is seized for violation of the copyright laws. To identify those persons eligible to receive these post-seizure disclosures, TFTEA directs CBP to create a list of persons eligible to receive disclosures when injured by violations of the DMCA resulting in seizure of the violative merchandise. Section 133.47 of the proposed regulations provide for such disclosures and the establishment of the list. CBP will publish a notice in the **Federal Register** when the list is established, and again any time the list is revised.

On October 5, 2004, CBP published a proposed rulemaking in the **Federal Register** (69 FR 59562) proposing amendments to part 133 of 19 CFR to set forth changes to CBP’s enforcement procedures, including enhanced disclosure provisions and provisions to enforce the DMCA. Although comments were solicited and received from the

public on the proposed amendments, CBP did not publish a final rule adopting the proposal. Due to the passage of time since the publication of the 2004 proposed rulemaking, CBP is proposing new amendments to part 133 of the CBP regulations.

II. Disclosure of Information Pertaining to Certain Intellectual Property Rights Enforced at the Border

A. The Trade Secrets Act and Disclosure Under the Current Regulations

The Trade Secrets Act (18 U.S.C. 1905) bars the unauthorized disclosure by government officials of any information received in the course of their employment or official duties when such information “concerns or relates to the trade secrets, processes, operations, style of work, or apparatus, or to the identity, confidential statistical data, amount or source of any income, profits, losses, or expenditures of any person, firm, partnership, corporation, or association.” 18 U.S.C. 1905.

Specifically, the Trade Secrets Act protects those required to furnish commercial or financial information to the government by shielding them from the competitive disadvantage that could result from disclosure of that information by the government. In turn, this protection encourages those providing information to the government to furnish accurate and reliable information that is useful to the government.

The Trade Secrets Act, however, permits those covered by the Act to disclose protected information when the disclosure is otherwise “authorized by law,” which includes both statutes expressly authorizing disclosure and properly promulgated substantive agency regulations authorizing disclosure based on a valid statutory interpretation. *See Chrysler v. Brown*, 441 U.S. 281, 294–316 (1979). For example, the current CBP regulations set forth in 19 CFR 133.21 allow disclosure to a right holder of certain information that may comprise information otherwise protected by the Trade

Secrets Act for the purposes of assisting CBP in determining whether merchandise bears a counterfeit mark. *See* CBP Dec. 15–12, published in the **Federal Register** (80 FR 56370) on September 18, 2015, effective October 19, 2015, for background information.

B. Statutory Analysis Concerning Disclosure of Commercial or Financial Information

The Secretary of the Treasury has authority to disclose information otherwise protected under the Trade

Secrets Act when such disclosures are authorized by law.

Disclosures meeting the “authorized by law” standard of the Trade Secrets Act include those made under regulations that are: (1) In compliance with the provisions of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*); and (2) based on a valid statute. *Chrysler*, 441 U.S. at 294–96 and 301–03. Various provisions in titles 15 and 19 of the United States Code authorize CBP to promulgate regulations to prohibit the importation of merchandise that infringes intellectual property rights. Among these, TFTEA provides statutory authority for information disclosure, amending provisions in title 19 of the United States Code (U.S.C.) to permit, and in some instances require, CBP to provide information otherwise protected under the Trade Secrets Act to IPR owners under specified conditions.

Title III of TFTEA permits, and in some instances requires, CBP to disclose information to IPR owners, to allow them to assist with enforcement. CBP enforces statutes prohibiting the importation of infringing merchandise. Specifically, 19 U.S.C. 1526 prohibits the importation of merchandise that infringes a trademark, 17 U.S.C. 602 prohibits the importation of merchandise that infringes a copyright under that title, and lastly, 17 U.S.C. 1201 prohibits the importation of devices that circumvent copyright protection systems. In order to aid CBP in enforcing these prohibitions, 17 U.S.C. 602(b) permits the Secretary of the Treasury to prescribe a procedure by which CBP will notify an interested party (which CBP has defined as the owner of the copyright) of the importation of articles that appear to be copies or phonorecords of a copyrighted work. *See* Copyright Act of 1976, Public Law 94–553, 90 Stat. 2541 (Oct. 19, 1976). The disclosure of information mandated by TFTEA is only available where the underlying trademark or copyright has been recorded with CBP.

Section 302 of TFTEA amended the Tariff Act of 1930 by inserting section 628a (19 U.S.C. 1628a) after section 628 (19 U.S.C. 1628), requiring CBP to provide IPR owners with information appearing on imported articles or their packaging and labels, including unredacted images of those articles, if the examination of the merchandise by the IPR owner would assist CBP in determining if those articles violate IPR laws enforced by CBP. Section 302 of TFTEA also permits CBP to provide to the IPR owner unredacted samples of the merchandise, subject to applicable bonding requirements, if the IPR

owner's help would assist CBP in determining if the importations occurred in violation of 17 U.S.C. 602 (copyright), 17 U.S.C. 1201 (circumvention devices), or 19 U.S.C. 1526 (trademark). The information may only be released where the underlying trademark or copyright has been recorded with CBP. CBP may not disclose information, photographs, or samples when such disclosure would compromise an ongoing law enforcement investigation or national security.

In 2015, CBP finalized new regulations for trademark enforcement, providing for disclosure of information to mark owners. CBP has proposed to update 19 CFR 133.21 to include updated bond provisions in keeping with the TFTEA disclosures, to limit disclosure of information to owners of properly recorded trademarks, as required by 19 U.S.C. 1628a(c), and to conform 19 CFR 133.21 to the copyright and DMCA provisions proposed in 19 CFR 133.42 and 133.47, respectively. For more information on prior changes to trademark enforcement, see CBP Dec. 15–12, published in the **Federal Register** (80 FR 56370) on September 18, 2015, effective October 19, 2015.

Section 303(a) of TFTEA amended section 596(c)(2) of the Tariff Act of 1930 (19 U.S.C. 1595a(c)(2)) by adding subparagraph G (19 U.S.C. 1595a(c)(2)(G)), which provides for the seizure of articles containing circumvention devices imported in violation of the DMCA (17 U.S.C. 1201). Correspondingly, section 303(b) of TFTEA requires that when merchandise containing a circumvention device is seized pursuant to 19 U.S.C. 1595a(c)(2)(G), CBP must disclose to the parties injured by that circumvention device information regarding the seized merchandise that is equivalent to information that CBP currently provides to copyright owners upon seizure of merchandise for violation of the copyright laws. (For more information regarding the information provided to copyright owners, see proposed 19 CFR 133.42(e) in this document.) Section 303(b)(2) of TFTEA directs CBP to establish and maintain a list of persons eligible to receive such disclosures, and section 303(b)(3) of TFTEA requires the Secretary of the Treasury to prescribe regulations establishing procedures to implement these practices. Section 624 of the Tariff Act of 1930 (19 U.S.C. 1624), as amended, also authorizes the Secretary of the Treasury to promulgate regulations to carry out the provisions of the Tariff Act of 1930, as amended, and provides authority for further

regulations implementing the changes directed by TFTEA.

This proposed rule is intended to authorize, and in some cases require, CBP personnel to disclose, either at the time of detention of suspect merchandise or after seizure of violative merchandise, information that might reveal commercial or financial information otherwise protected by the Trade Secrets Act. The proposed rule replicates the procedural safeguards implemented in the trademark regulations at 19 CFR 133.21 to mitigate potential risks from the disclosure of protected information. For more information on these safeguards, see CBP Dec. 15–12, published in the **Federal Register** (80 FR 56370) on September 18, 2015, effective October 19, 2015.

III. Description of Proposed Amendments to Part 133

CBP is proposing changes to part 133 of the CBP regulations to implement certain provisions of TFTEA. First, CBP is proposing to amend the scope provision at § 133.0 to include TFTEA-mandated disclosures. Next, CBP is proposing to amend subpart E of part 133 regarding detention of merchandise suspected of violating the copyright laws, seizure of such violative merchandise, and disclosure of information to right holders. The proposed changes are intended to require pre-seizure disclosure of certain information to right holders if review of the information, or examination or testing of the imported merchandise, by the right holder would assist CBP in its determination as to whether suspect merchandise does, in fact, violate the copyright laws. The proposed amendments to subpart E also provide procedural safeguards to limit the release of information concerning non-violative shipments and simplify the detention process relative to goods suspected of violating the copyright laws.

Also, CBP is proposing a new subpart F to part 133 (existing subpart F is proposed to be redesignated as new subpart G). Proposed subpart F prescribes the disclosure of information, and potential provision of samples, upon detention or seizure of goods suspected of violating the DMCA to enhance CBP's ability to prohibit circumvention devices from being entered into the United States. Prior to seizure, CBP will disclose information appearing on the imported merchandise to the owner of the recorded copyright who employs the copyright protection measure that the imported merchandise is suspected of circumventing, if it will

assist CBP in determining whether the merchandise is violative. Similarly, when CBP seizes violative merchandise, it will disclose information appearing on the imported merchandise, as well as information received in connection with the importation, to certain right holders.

A. Subpart E to Part 133: Importations Violating Copyright Laws

CBP is proposing several amendments to subpart E of part 133 of the CBP regulations. The proposed changes would simplify procedures and strengthen CBP's ability to enforce the copyright laws and the prohibition against the importation of piratical articles.

1. Definition of "Piratical Articles"

Section 133.42(a) currently provides that "[i]nfringing copies or phonorecords are 'piratical' articles." To more accurately define "piratical articles" for enforcement purposes, CBP is proposing to amend paragraph (a) of § 133.42 to define "piratical articles" as those that constitute unlawful (made without the authorization of the copyright owner) copies or phonorecords of a recorded copyright. Eligible copyrights may be recorded with CBP using the Intellectual Property Rights e-Recordation (IPRR) application found at <https://iprr.cbp.gov/>.

2. Procedures on Suspicion of Piratical Copies

Existing § 133.43 sets forth the procedures CBP employs when it suspects that imported articles may be infringing copies or phonorecords of recorded copyrights and provides for: (1) Notice of detention of suspected articles to the importer and to the copyright owner, including the disclosure of certain information; (2) the release of redacted samples of suspected articles to the copyright owner; (3) the release of the goods in the case of inaction by the copyright owner; (4) in cases where the copyright owner makes a written demand for the exclusion of the suspected articles, a bonding requirement and exchange of briefs process culminating in submission to CBP for administrative review; and (5) alternative procedures to the administrative process (court action).

CBP believes that the procedure requiring a copyright owner to file a written demand for exclusion of the suspected infringing copies, and requiring an exchange of additional evidence, briefs, and other pertinent material to substantiate a claim or denial of piracy between the parties is ineffective for enforcing the Copyright Act of 1976 and is inconsistent with

TFTEA. CBP believes that these procedures are an outdated and inefficient mechanism to address situations where CBP has a suspicion that certain goods may be piratical. These provisions are rarely used and unduly burdensome on CBP and all other parties involved. Essentially, these procedures limit CBP's ability to conduct the required examination and render its decision in a timely and efficient manner. The related provision, § 133.44, prescribes the actions to be taken when CBP sustains or denies a claim of piracy under § 133.43. Accordingly, CBP is proposing to remove §§ 133.43 and 133.44 in their entirety from title 19 of the CFR.

However, CBP proposes to retain the procedures regarding detention of suspected infringing copies or phonorecords of recorded copyrights, notice of such detention to the importer and to the copyright owner, and the disclosure of certain information and release of redacted samples to the copyright owner currently provided for in § 133.43 in a revised § 133.42. Section 133.42 currently provides that the importation of infringing copies or phonorecords of works copyrighted in the United States is prohibited and sets forth provisions regarding the seizure and forfeiture of such infringing works. CBP proposes to amend and expand § 133.42 as follows to provide more comprehensive regulations on the manner in which it detains suspected piratical articles, seizes piratical articles, and exchanges information with affected parties:

- Proposed § 133.42(a) sets forth definitions for purposes of part 133.
- Proposed § 133.42(b)(1) prescribes that CBP may detain imported articles suspected of constituting a piratical copy of a copyrighted work for which a claim to copyright has been recorded with CBP.
- Proposed § 133.42(b)(2)(i)(A) specifies that, pursuant to 19 CFR 151.16(c) and 19 U.S.C. 1499(c)(2), a notice of detention is issued to the importer within five business days from the date of CBP's decision to detain suspect merchandise. CBP will also inform the importer that certain information may already have been disclosed to the owner of the recorded copyright, and in any event, CBP will disclose such information to the owner no later than the date of issuance of the detention notice.
- Proposed § 133.42(b)(2)(i)(B) sets forth that CBP may disclose to the owner of the recorded copyright information that appears on the detained merchandise and/or its retail packaging, including unredacted

photographs, images, or samples, as described in proposed paragraph (b)(3) of this section, unless the importer provides information within seven business days of issuance of the detention notice that is sufficient for CBP to determine that the detained merchandise is not piratical.

- Proposed § 133.42(b)(2)(ii) provides that if the importer does not provide information to CBP within seven business days of issuance of the detention notice that is sufficient for CBP to determine that the detained merchandise is not piratical, and CBP still suspects the merchandise to be violative, CBP will proceed with disclosure to the owner of the recorded copyright as described in proposed paragraph (b)(3) of this section, if CBP concludes that disclosure would assist CBP in determining whether the merchandise is piratical, and such disclosure would not compromise an ongoing law enforcement investigation or national security.

- Proposed § 133.42(b)(3) sets forth the information CBP will disclose to the owner of the recorded copyright pursuant to paragraph (b)(2)(ii) if CBP concludes that disclosure would assist CBP in determining whether the merchandise is piratical, and such disclosure would not compromise an ongoing law enforcement investigation or national security. This includes information appearing on the goods and their retail packaging and unredacted images or photographs of the merchandise. Proposed § 133.42(b)(3) also provides that CBP may release a sample to the owner of the recorded copyright, subject to the bonding and return requirements of proposed § 133.42(c).

- Proposed § 133.42(b)(4) describes the basic importation information to be disclosed to the owner of the recorded copyright.

- Proposed § 133.42(b)(5) provides for disclosure of redacted photographs or images, or the provision of redacted samples, including retail packaging or labels, to the owner of the recorded copyright. Identifying information to be redacted would include serial numbers; dates of manufacture; lot codes; batch numbers; universal product codes; the name or address of the manufacturer, exporter, or importer of the merchandise; or any markings that could reveal the name or address of the manufacturer, exporter, or importer of the merchandise. CBP may release the sample identified in this paragraph when the owner of the recorded copyright furnishes to CBP a bond in the form and amount specified by CBP. CBP

may demand the return of the sample at any time.

- Proposed § 133.42(c) pertains to the disclosure of unredacted photographs or images, or the provision of unredacted samples, including retail packaging or labels, to the owner of the recorded copyright under paragraph (b) of this section. Paragraph (c) provides that, with the disclosure of the photographs or images, or provision of the sample, CBP will notify the owner of the recorded copyright that some or all of the information it receives may be subject to the protections of the Trade Secrets Act, is being issued to the owner of the recorded copyright by CBP under an exception to the Trade Secrets Act, and is not to be used by the owner of the recorded copyright (nor by parties related to the owner of the recorded copyright or agents thereof) for any purpose other than to assist CBP in determining whether the merchandise described in the notice of detention is piratical. CBP will release the sample identified in this paragraph when the owner of the recorded copyright furnishes to CBP a bond in the form and amount specified by CBP. CBP may demand the return of the sample at any time.

- Proposed § 133.42(d) provides for disclosure of unredacted photographs or images, including photographs or images of retail packaging or labels, to the importer any time after presentation of the suspect goods to CBP for examination. Proposed § 133.42(d) also provides that, upon the importer's request, CBP will provide samples to the importer, including samples of retail packaging or labels, any time after presentation of the suspect goods to CBP for examination.

- Proposed § 133.42(e) provides that, in cases involving the seizure of piratical articles, CBP will disclose to the owner of the recorded copyright certain limited information pertaining to the attempted importation.

- Proposed § 133.42(f) provides that, after seizure, CBP will provide—upon receipt of a request by the owner of the recorded copyright and upon that owner furnishing a bond to CBP in the form and amount specified by CBP—photographs, images, or samples, including retail packaging or labels, to the owner of the recorded copyright. CBP may demand the return of the sample at any time.

- Proposed § 133.42(g) provides for the consent of the owner of the recorded copyright to allow entry of the seized and forfeited merchandise, or other disposition subject to the importer's right to petition for relief under § 171.

B. New Re-Designated Subpart F to Part 133: Enforcement Provisions for the Digital Millennium Copyright Act (DMCA)

In 1998, Congress enacted the DMCA. Among other things, the DMCA prohibits the circumvention of technological measures used by copyright owners to protect their works. Section 1201(a)(3)(B) of title 17 of the United States Code (17 U.S.C. 1201(a)(3)(B)) provides that, “[a] technological measure ‘effectively controls access to a work’ if the measure, in the ordinary course of its operation, requires the application of information, or a process or a treatment, with the authority of the copyright owner, to gain access to the work.” Section 1201(b)(2)(B) of title 17 of the United States Code (17 U.S.C. 1201(b)(2)(B)) provides that “[a] technological measure ‘effectively protects a right of a copyright owner under this title’ if the measure, in the ordinary course of its operation, prevents, restricts, or otherwise limits the exercise of a right of a copyright owner under this title.” Pursuant to section 303(b)(3) of TFTEA, the Secretary of the Treasury must prescribe regulations establishing procedures relative to the seizure of articles the importation of which is prohibited by and found to violate the DMCA.

Although the current CBP regulations do not specifically provide for the detention and seizure of articles that constitute violations of the DMCA, CBP has implemented the DMCA by providing CBP personnel with internal enforcement guidelines and advice on how to enforce the DMCA. Where CBP finds that certain devices violate the DMCA by circumventing a recorded copyright owner’s copyright protection measure, the goods are currently subject to seizure and forfeiture under 19 U.S.C. 1595a(c)(2)(C) for a violation of the DMCA (17 U.S.C. 1201). Section 303 of TFTEA amended section 596(c)(2) of the Tariff Act of 1930 (19 U.S.C. 1595a(c)(2)) by adding subparagraph G (19 U.S.C. 1595a(c)(2)(G)) for DMCA violations, which, in essence, accomplishes the same enforcement as that carried out under the internal enforcement guidelines. However, the current CBP internal enforcement guidelines and advice on how to enforce the DMCA include neither the post-seizure DMCA disclosure to those persons injured by DMCA violations nor the establishment of a list of those persons approved to receive information post-seizure, as provided for in section 303 of TFTEA. When final, the proposed

regulations will replace the existing internal enforcement guidelines.

Pursuant to 19 U.S.C. 1628a, CBP is proposing to add regulatory provisions for the detention and seizure of articles that constitute violations under the DMCA. Specifically, CBP is proposing to re-designate existing subpart F in part 133, which contains regulations pertaining to procedures following forfeiture or assessment of liquidated damages, as a new subpart G, and to add a new subpart F with a new § 133.47, setting forth regulatory provisions that prescribe the detention and seizure of certain articles that violate the DMCA. The regulatory provisions proposed in § 133.47 closely mirror the comparable provisions for trademark as laid out in § 133.21 and copyright as laid out in proposed § 133.42, described above. Pursuant to 19 U.S.C. 1499(c)(2), CBP will issue a notice of detention to the importer within five business days from the date of CBP’s decision to detain suspect merchandise. CBP will inform the importer that the importer may provide information within seven business days of issuance of the detention notice to help CBP to determine whether the detained merchandise violates the DMCA. After that period, if CBP still suspects the merchandise may be violative, CBP will disclose information appearing on the detained merchandise and/or its retail packaging to the owner of the recorded copyright who employs a copyright protection measure, if CBP concludes that the disclosure would assist CBP in its determination and disclosure would not compromise and ongoing law enforcement investigation or national security. Disclosed information may also include unredacted samples, if necessary to assist CBP in determining whether or not the detained merchandise violates the DMCA. The detention will be for a period of up to 30 days from the date on which the merchandise is presented for examination. In accordance with 19 U.S.C. 1499(c), if, after the detention period, the article is not released, the article will be deemed excluded for purposes of 19 U.S.C. 1514(a)(4).

In the event that CBP determines that such detained articles violate 17 U.S.C. 1201, CBP will seize the articles under 19 U.S.C. 1595a(c)(2)(G) and institute forfeiture proceedings in accordance with 19 CFR part 162. CBP will, within 30 business days of the seizure, notify the person CBP determines is injured by the violation of the DMCA and will disclose certain information regarding the shipment to such person, provided that person meets the requirements detailed below. In the event that articles

released from CBP custody are determined to be violative, proposed § 133.48 provides for redelivery of the articles. Articles determined by CBP not to violate 17 U.S.C. 1201 will be released. Importers may petition for relief from the seizure and forfeiture under the provisions of 19 CFR part 171. Articles that have been seized and forfeited to the U.S. Government under part 133 will be disposed of in accordance with 19 CFR 133.52(b).

The proposed regulations define persons eligible for pre-seizure and post-seizure DMCA disclosures. Under the proposed regulations, a person eligible for pre-seizure disclosures is the owner of a recorded copyright who employs a copyright protection measure that may have been circumvented or attempted to be circumvented by articles that violate the importation prohibitions of the DMCA. Likewise, the proposed regulations define an injured person authorized to receive post-seizure DMCA disclosures as the owner of a recorded copyright who employs a copyright protection measure that has been circumvented or attempted to be circumvented by articles seized for violation of the importation prohibitions of the DMCA, and who has successfully applied to CBP for DMCA protections.

Pursuant to section 303(b) of TFTEA, CBP will establish and maintain a list of the persons who have successfully applied to CBP to receive disclosures from CBP when injured by violations of the DMCA. Under proposed § 133.47(b)(2)(iii), CBP will publish a notice in the **Federal Register** announcing the establishment of a list of approved persons. Persons who believe they have been injured by a DMCA violation may request to be added to the list through a separate application to the IPR Branch supplemental to an application to record a copyright. After the list has been established, CBP will publish a notice in the **Federal Register** when the list is revised.

IV. Other Amendments

As a consequence of the proposed removal of §§ 133.43 and 133.44, it is also proposed to revise a related provision in § 113.70, which sets forth bond conditions to indemnify the United States for detention of copyrighted material. CBP proposes to revise 19 CFR 113.70 to set forth, in one centralized location, the bond conditions for an IPR owner to obtain samples of imported merchandise suspected of being infringing. Currently, there is bond language that pertains to IPR sample bonds in various provisions throughout 19 CFR part 133. To reduce redundancy, CBP is proposing to add a

cross reference to the new IPR sample bond conditions set forth in § 113.70 in proposed § 133.21(b)(5), (c)(2), and (f), § 133.25(c), § 133.42(b)(5), (c)(2), and (f), and § 133.47(b)(5), (c)(2), and (f), and to consolidate duplicated bond condition language from these provisions. Accordingly, CBP is proposing to remove references to § 133.43 in existing § 113.42.

As noted above, CBP is proposing additional amendments to 19 CFR 133.21 to clarify the “identifying information” that CBP will redact prior to disclosing information pursuant to § 133.21(b)(5). Section 133.21(b)(5) provides examples of information that CBP would redact prior to disclosure under this provision, including “any mark that could reveal the name or address of the manufacturer, exporter, or importer of the merchandise.” CBP is proposing to replace the word “mark” with the more general term “markings,” as “mark” is a more narrowly defined term of art. CBP is proposing further changes to conform § 133.21(b) and (f) to the related copyright (§ 133.42(b) and (f)) and DMCA (§ 133.47(b) and (f)) provisions proposed in this document.

In addition, CBP is proposing conforming amendments to § 133.25. These include replacing “trademark owner” with “owner of the recorded mark” and replacing references to the legacy Customs Service with CBP. CBP is proposing to amend § 133.51(a), to reflect the addition of proposed § 133.48, which will provide for redelivery of merchandise found to violate the DMCA. Similarly, CBP is proposing to amend § 133.52(b) to account for the alternative dispositions of seized merchandise reflected in proposed §§ 133.42(g) and 133.47(g).

Section 151.16 of title 19 of the CFR provides for the detention of merchandise, and states that CBP will make a final determination with respect to the admissibility of detained merchandise within 30 days after the merchandise has been presented to CBP for examination. Within § 151.16, paragraph (a) identifies certain categories of articles that are excepted from this provision, including detentions arising from “possibly piratical copies (see part 133, subpart E, of this Chapter).” The current detention procedures in subpart E of 19 CFR part 133 allow up to 120 days for an importer or right holder of a suspect article to provide CBP with evidence, briefs, or other pertinent information to substantiate a claim or denial of infringement, prior to CBP’s issuance of an admissibility determination. Due to the proposed amendments to § 133.42, discussed above, which shorten many of

the data exchange time frames and require CBP to issue a final determination with respect to the admissibility of detained merchandise within 30 days after the merchandise has been presented to CBP for examination, there is no longer any reason to exempt possibly piratical copies or phonorecords from the 30-day detention period set forth in § 151.16. Accordingly, this document proposes to amend 19 CFR 151.16(a) by removing the reference to “possibly piratical copies (see part 133, subpart E, of this Chapter)” and by adding a cross-reference to 19 CFR 151.16(c) to the notice provisions set forth in §§ 133.42(b)(2) and 133.47(b)(2). This document also proposes non-substantive editorial changes to § 151.16.

Likewise, this document proposes to amend 19 CFR 177.0 by removing the existing exception for copyright determinations under part 133. Currently, § 133.43 provides a unique process for determinations of copyright infringement, an exception to the rulings process laid out in part 177. As a consequence of the proposed changes to §§ 133.42 and 133.43, that process will be replaced. As a result, rulings related to copyright determinations may be requested pursuant to part 177, and no longer constitute an exception to the process laid out therein.

In addition, this document proposes to augment the existing personal use exemption in 19 CFR 148.55, and clarify its application. Currently, this exemption provides for the entry of limited quantities of merchandise that otherwise would be prohibited from entry for trademark violations, when the merchandise accompanies any individual arriving in the United States. However, 17 U.S.C. 602(a)(3)(B) provides a similar personal use exemption permitting the entry of merchandise otherwise prohibited for violating copyright law, under certain conditions. CBP has proposed amendments to § 148.55, to reflect this statutory exemption. The conditions are set forth in existing § 148.55(b), which is not being proposed for amendment. The conditions are that (1) the exemption “shall not be granted to any person who has taken advantage of the exemption for the same type of article within the 30-day period immediately prior to his arrival in the United States,” and (2) “[i]f an article which has been exempted is sold within one year of the date of importation, the article or its value (to be recovered from the importer), is subject to forfeiture” (except in the case of a “sale subject to

judicial order or in the liquidation of an estate”).

This document also proposes amendments to the general and specific authority citations to part 133 to more accurately reflect the statutory authority that pertains to the part and that which pertains more specifically to particular sections within part 133.

Executive Orders 12866, 13563, and 13771

Executive Orders 12866 (“Regulatory Planning and Review”) and 13563 (“Improving Regulation and Regulatory Review”) direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. Executive Order 13771 (“Reducing Regulation and Controlling Regulatory Costs”) directs agencies to reduce regulation and control regulatory costs and provides that “for every one new regulation issued, at least two prior regulations be identified for elimination, and that the cost of planned regulations be prudently managed and controlled through a budgeting process.”

This rule is a significant regulatory action under section 3(f) of Executive Order 12866. Accordingly, OMB has reviewed this regulation. As the impacts of this rule are de minimis, this rule is exempt from Executive Order 13771. See OMB’s Memorandum, “Guidance Implementing Executive Order 13771, Titled ‘Reducing Regulation and Controlling Regulatory Costs’” (April 5, 2017).

One of CBP’s roles is to safeguard the U.S. economy from the importation of goods that violate intellectual property rights. Under current regulations, if CBP suspects that a shipment may be violative, it can share redacted samples of the suspect imported good with a right holder.¹ To implement TFTEA’s intellectual property rights provisions, CBP is proposing regulatory changes that will, among other things, allow it to share unredacted images of suspect imports with right holders, if examination by right holders would assist CBP’s determination.

¹Note that this rule does not alter CBP’s ability to provide redacted samples of an import to a right holder without prior notification to the importer.

Sharing these unredacted samples and images with right holders may provide access to information about the importer protected by the Trade Secrets Act. The proposed rule establishes a procedure under which, following the notice to the importer required by 19 U.S.C. 1499, the importer has seven business days to establish to CBP that the suspect imports are not piratical and are instead admissible. If the importer is unable to demonstrate the admissibility of its imports within this timeframe, CBP will share information with the right holder by disclosing or releasing unredacted samples of the imports in question.

As CBP is establishing a new process for copyrights, it does not have data on the number of times CBP suspects shipments are piratical. However, in 2012 CBP published an interim final rule that established similar procedures for trademarks. (77 FR 24375, September 24, 2012). For analytical purposes, CBP can assume that this rule will have similar effects after adjusting for the differing volumes. Between fiscal years 2014 and 2018, CBP sent out an average of 824 detention letters every fiscal year for suspected trademark infringements. Based on the proportion of live trademark recordations² available to support the agency's IPR seizures every fiscal year, relative to the copyright recordations, CBP estimates an average of approximately 21,423 seizures based on trademark, 8,881 based on copyright, and 116 DMCA seizures. If the number of detention letters is proportional to the number of seizures, CBP would estimate that this rule will result in 345 more detention letters for possible copyright infringing importations.

CBP estimates that the procedure to demonstrate that the imports are not piratical will take two hours per affected importer at a cost of \$29.76 per hour.^{3 4}

² Source: CBP's IPRiS database. Sampling methodology averaged five equally spaced dates in every fiscal year to estimate the IPRiS live recordations available for IPR seizures (95% CI, $p = 0.05$) annually. CBP took several sample counts per year as opposed to a single annual count to ensure a representative measure as IPRiS recordations enter and expire throughout the year.

³ Source: U.S. Bureau of Labor Statistics. Occupational Employment Statistics, "May 2017 National Occupational Employment and Wage Estimates, United States- Median Hourly Wage by Occupation Code." Updated March 30, 2018. Available at https://www.bls.gov/oes/2017/may/oes_nat.htm. Accessed June 11, 2018.

⁴ The total compensation to wages and salaries ratio is equal to the calculated average of the 2017 quarterly estimates (shown under Mar., June, Sep., Dec.) of the total compensation cost per hour worked for Office and Administrative Support occupations (\$26,2600) divided by the calculated average of the 2017 quarterly estimates (shown under Mar., June, Sep., Dec.) of wages and salaries cost per hour worked for the same occupation

This is based on the existing information collection for the Notice of Detention (OMB Control Number 1651-0073), which is being updated for this rulemaking. CBP estimates that importers will bear an opportunity cost as a result of the higher number of detention notices caused by this rule. CBP estimates that this opportunity cost will total \$20,534 ($345 * 2 * \29.76) for copyright detentions and \$238 ($4 * 2 * 29.76$) for DMCA detentions for a total monetized cost of \$20,534.

CBP is also proposing to formalize the existing practices used to enforce the DMCA. As discussed above, in 1998, Congress enacted the DMCA. The DMCA prohibits the importation of devices used to circumvent the copyright protection measures copyright owners use to protect their works. Although current regulations do not specifically provide for detention and seizure of articles that constitute violations of the DMCA, CBP has enforced the DMCA by providing CBP personnel with internal enforcement guidelines and advice on how to enforce DMCA violations. In FY 2016 there were approximately 70 DMCA seizures. It is possible that the provisions of this rule that were already discussed will result in a small increase in DMCA seizures. TFTEA requires CBP to formalize the foregoing processes with respect to the DMCA. The formalization of these existing practices in regulations does not change current practice, so this provision will not have additional impacts if this rule is finalized.

In addition to the proposed use of unredacted samples, CBP is proposing to amend the detention procedures applicable to imported articles that are suspected of being a piratical copy or phonorecord of a copyrighted work. The current detention procedures in the regulations allow up to 120 days for an importer or right holder of a suspect article to provide CBP with evidence, briefs, or other pertinent information to substantiate a claim or denial of infringement, prior to CBP's issuance of an admissibility determination. To expedite this process, CBP is proposing to amend the regulations to require the agency to render an admissibility decision within 30 days from the date

category (\$17,7425). Source of total compensation to wages and salaries ratio data: U.S. Bureau of Labor Statistics. Employer Costs for Employee Compensation. Employer Costs for Employee Compensation Historical Listing March 2004–March 2018, "Table 3. Civilian workers, by occupational group: employer costs per hours worked for employee compensation and costs as a percentage of total compensation, 2004–2018 by reporting type." March 2018. Available at <https://www.bls.gov/web/ecec/ececqrtn.pdf>. Accessed June 11, 2018.

the articles are presented to CBP for examination. As the current detention procedures are seldom used, according to CBP subject matter experts, CBP does not believe the proposed changes will impose a significant effect on the public.

The Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et. seq.*) (RFA), as amended by the Small Business Regulatory Enforcement and Fairness Act of 1996, requires agencies to assess the impact of regulations on small entities. A small entity may be a small business (defined as any independently owned and operated business not dominant in its field that qualifies as a small business per the Small Business Act); a small not-for-profit organization; or a small governmental jurisdiction (locality with fewer than 50,000 people). Section 604 of the RFA requires an agency to perform a regulatory flexibility analysis for a rule unless the agency certifies under section 605(b) that the regulatory action would not have a significant economic impact on a substantial number of small entities.

As described in the Executive Orders 12866, 13563, and 13771 analysis above, CBP estimates that this rule will result in the issuance of 345 additional notices of detention. CBP's current examination policies, use of shared enforcement systems, and targeting criteria that take into account previous examinations when determining risk make it unlikely that an importer who receives a notice of detention with this rule will be required to repeatedly prove the admissibility of their imports.⁵ As such, CBP assumes for the purposes of this analysis that the number of affected importers from this rule will be equal to the number of additional detention notices resulting from this rule—345—with each importer receiving only one detention notice. To the extent that an importer must prove the admissibility of their imports more than once with this rule, the number of importers affected by this rule would be lower and the cost of this rule per affected importer would be higher.

These importers are not centered in any particular industry; any importer of goods covered by a recorded copyright may be affected by this rule if CBP has a reasonable suspicion to believe their

⁵ CBP reserves the right to detain any imported merchandise, even if an importer has previously shown that its merchandise is admissible. This will depend on the particulars of the importation. Previous importations are taken into account in the risk profile, so having proven the authenticity of an importation in the past makes it less likely that an importer will receive a Notice of Detention for subsequent importations.

imported merchandise may constitute a piratical copy and CBP cannot determine if an import is a piratical copy or prohibited circumvention device without the use of the provisions of this rule. CBP has conducted a study of importers to determine how many are small entities and has concluded that the vast majority (about 88 percent) of importers are small entities.⁶ Therefore, CBP believes this rule may affect a substantial number of small entities.

Although the proposed rule, if adopted, may affect a substantial number of small entities, CBP believes the economic impact would not be significant. As described in the Executive Orders 12866, 13563, and 13771 section of this document, CBP estimates that it takes an importer two hours to provide proof of the admissibility of an import to CBP. CBP estimates the average wage of an importer is \$29.76 per hour. Thus, CBP estimates it will cost a small entity \$59.52 to prove the admissibility of its import with this rule. CBP does not believe \$59.52 constitutes a significant economic impact.

CBP recognizes that repeated inquiries into the admissibility of an importer's imports could eventually rise to the level of a significant economic impact. However, it is unlikely that importers will be repeatedly required to prove the admissibility of their imports, as previously mentioned. Additionally, CBP does not anticipate law-abiding importers to be subject to the provisions in this rule on a repeated basis. Once CBP has determined the admissibility of an importation, it will record that information in the system so it can be viewed by CBP import specialists on future importations and successful previous importations are a favorable factor in the importation's risk profile. Further, CBP notes that providing this information to CBP is optional on the part of the importer. Therefore, CBP believes there will not be a significant economic impact on small entities.

Accordingly, although this rule may have an effect on a substantial number of small entities, as discussed above, CBP believes that an estimated cost of \$59.52 to an importer does not constitute a significant economic impact. Thus, CBP certifies this regulation would not have a significant economic impact on a substantial number of small entities.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), the collections of information for this document are included in an existing collection for Notices of Detention (OMB control number 1651-0073). An agency may not conduct, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number assigned by OMB. The burden hours related to the Notice of Detention for OMB control number 1651-0073 are as follows:

Number of Respondents: 1,695.

Number of Responses: 1.

Time per Response: 2 hours.

Total Annual Burden Hours: 3,390.

Because CBP estimates that the availability of the procedures in this proposed rule will increase the number of Notices of Detention issued for IPR violations, there is an increase in burden hours under this collection with this proposed rule.

Signing Authority

This rulemaking is being issued in accordance with 19 CFR 0.1(a)(1), pertaining to the authority of the Secretary of the Treasury (or that of his or her delegate) to approve regulations concerning copyright enforcement.

List of Subjects

19 CFR Part 113

Bonds, Customs duties and inspection, Imports, Surety bonds.

19 CFR Part 133

Bonds, Circumvention devices, Copy or simulating trademarks, Copyrights, Counterfeit goods, Customs duties and inspection, Demand for redelivery, Detentions, Disclosure, Labeling, Liquidated damages, Piratical copies, Phonorecords, Recordation, Restricted merchandise, Seizures and forfeitures, Trademarks, Trade names.

19 CFR Part 148

Copyright, Customs duties and inspection, Trademarks.

19 CFR Part 151

Customs duties and inspection, Examination, Imports, Penalties, Reporting and recordkeeping requirements, Sampling and testing.

19 CFR Part 177

Administrative practice and procedure, Government procurement, Reporting and recordkeeping requirements.

Proposed Amendments to the CBP Regulations

For the reasons stated above in the preamble, CBP proposes to amend 19 CFR parts 113, 133, 148, 151 and 177 as follows:

PART 113—CBP BONDS

- 1. The general authority citation for part 113 continues to read as follows:

Authority: 19 U.S.C. 66, 1623, 1624.

* * * * *

- 2. Section 113.42 is revised to read as follows:

§ 113.42 Time period for production of documents.

Except when another period is fixed by law or regulations, any document for the production of which a bond or stipulation is given must be delivered within 120 days from the date of notice from CBP requesting such document. If the period ends on a Saturday, Sunday, or holiday, delivery on the next business day will be accepted as timely.

- 3. Section 113.70 is revised to read as follows:

§ 113.70 Bond conditions for owners of recorded marks or recorded copyrights to obtain samples from CBP relating to importation of merchandise suspected of infringing recorded marks or recorded copyrights, or circumventing copyright protection measures.

Prior to obtaining samples of imported merchandise pursuant to §§ 133.21, 133.25, 133.42, or 133.47 of this chapter, for suspected infringement of a recorded mark or recorded copyright, or suspected circumvention of a protection measure safeguarding a recorded copyright, the owner of the recorded mark or the recorded copyright must furnish to CBP a single transaction bond in the amount specified by CBP containing the conditions listed in this section.

Bond Conditions for Owners of Recorded Marks or Recorded Copyrights To Obtain Samples From CBP Relating to Importation of Merchandise Suspected of Infringing Such Recorded Marks or Recorded Copyrights, or Circumventing Copyright Protection Measures

(a) *Agreement to use sample for limited purpose of assisting CBP.* If CBP provides to an owner of a recorded mark or a recorded copyright a sample of imported merchandise suspected of infringing the recorded mark or copyright, or suspected of circumventing a copyright protection measure, including samples provided pursuant to §§ 133.21, 133.25, 133.42, or

⁶ See "CBP Analysis of Small Importers," November 2018. Available in the docket of this rulemaking.

133.47 of this chapter, the obligors (principal and surety) agree that such samples may only be used for the limited purpose of providing assistance to CBP in enforcing intellectual property rights.

(b) *Agreement to indemnify*—(1) *Improper use of sample*. If the sample identified in paragraph (a) of this section is used by the owner of the recorded mark or the recorded copyright for any purpose other than to provide assistance to CBP in enforcing intellectual property rights, the obligors (principal and surety) agree to indemnify the importer or owner of the imported merchandise, in the amount specified by CBP, against any loss or damage resulting from the improper use.

(2) *Physical loss, damage, or destruction of disclosed sample*. The owner of a recorded mark or a recorded copyright must return any sample identified in paragraph (a) of this section upon demand by CBP or at the conclusion of any examination, testing, or similar procedure performed on the sample. If the sample identified in paragraph (a) of this section is lost, damaged, or destroyed as a result of CBP's furnishing it to such owner, the obligors (principal and surety) agree to indemnify the importer or owner of the imported merchandise, in the amount specified by CBP, against any resulting loss or damage.

PART 133—TRADEMARKS, TRADE NAMES, AND COPYRIGHTS

■ 4. The general authority citation for part 133 is revised to read as follows, the specific authority for §§ 133.21 to 133.25 is removed, and a specific authority citation for § 133.47 is added to read as follows:

Authority: 15 U.S.C. 1124, 1125, 1127; 17 U.S.C. 101, 104, 106, 601, 602, 603; 18 U.S.C. 1905; 19 U.S.C. 66, 1202, 1499, 1526, 1595a, 1623, 1624, 1628a; 31 U.S.C. 9701.

Section 133.47 also issued under 17 U.S.C. 1201.

* * * * *

§ 133.0 Scope.

■ 5. In § 133.0, revise the last sentence to read as follows:
* * * It also sets forth the procedures for the disposition, including release to the importer in appropriate circumstances, of articles bearing prohibited marks or names, piratical articles, and prohibited circumvention devices, as well as the disclosure of information concerning such articles when such disclosure would not compromise an ongoing law enforcement investigation or national security.

■ 6. Amend § 133.21 by:

■ a. Removing the words “owner of the mark” wherever they appear and adding in their place the words “owner of the recorded mark”;

■ b. Revising paragraphs (b)(2)(ii) and (b)(3) and the second sentence of paragraph (b)(4) introductory text;

■ c. Removing the word “mark” and adding in its place the word “markings” in the second sentence of paragraph (b)(5);

■ d. Revising the third sentence of paragraph (b)(5) and the first sentence of paragraph (c)(2) and paragraph (f).

The revisions read as follows:

§ 133.21 Articles suspected of bearing counterfeit marks.

* * * * *

(b) * * *

(2) * * *

(ii) *Failure of importer to respond or insufficient response to notice*. Where the importer does not provide information within the seven business day response period, or the information is insufficient for CBP to determine that the merchandise does not bear a counterfeit mark, CBP will proceed with the disclosure of information as described in paragraph (b)(3) of this section to the owner of the recorded mark if CBP concludes that the disclosure would assist CBP in its determination, and provided that the disclosure would not compromise an ongoing law enforcement investigation or national security. CBP will notify the importer in case of any such disclosure.

(3) *Disclosure to owner of the recorded mark of information appearing on detained merchandise and/or its retail packaging, including unredacted photographs, images or samples*. CBP will disclose information appearing on the merchandise and/or its retail packaging (including labels) and images (including photographs) of the merchandise and/or its retail packaging in its condition as presented for examination (*i.e.*, an unredacted condition) if CBP concludes that the disclosure of information to the owner of the mark as described in paragraph (b)(2)(ii) of this section would assist CBP in its determination, and provided that disclosure would not compromise an ongoing law enforcement investigation or national security. CBP may also provide a sample of the merchandise and/or its retail packaging in its condition as presented for examination to the owner of the recorded mark. The release of a sample will be in accordance with, and subject to, the bond and return requirements of paragraph (c) of this section. The disclosure may include any serial

numbers, dates of manufacture, lot codes, batch numbers, universal product codes, or other identifying markings appearing on the merchandise or its retail packaging (including labels), in alphanumeric or other formats.

(4) * * * If the information is unavailable at the time the notice of detention is issued, CBP may release the information after issuance of the notice of detention. * * *

* * * * *

(5) * * * CBP may release a sample under this paragraph when the owner of the recorded mark furnishes to CBP a bond in an amount specified by CBP and containing the conditions set forth in § 113.70 of this chapter. * * *

* * * * *

(c) * * *

(2) * * * CBP may release a sample under paragraphs (b)(2)(ii) and (3) of this section when the owner of the recorded mark furnishes to CBP a bond in an amount specified by CBP and containing the conditions set forth in § 113.70 of this chapter. * * *

* * * * *

(f) *Disclosure to owner of the recorded mark, following seizure, of unredacted photographs, images, and samples*. At any time following a seizure of merchandise bearing a counterfeit mark under this section, and upon receipt of a proper request from the owner of the recorded mark, CBP may provide, if available, photographs, images, or a sample of the seized merchandise and its retail packaging, in its condition as presented for examination, to the owner of the recorded mark. CBP may release a sample under this paragraph when the owner of the recorded mark furnishes to CBP a bond in an amount specified by CBP and containing the conditions set forth in § 113.70 of this chapter. CBP may demand the return of the sample at any time. The owner of the recorded mark must return the sample to CBP upon demand or at the conclusion of the examination, testing, or other use. In the event that the sample is damaged, destroyed, or lost while in the possession of the owner of the recorded mark, the owner must, in lieu of return of the sample, certify to CBP that: “The sample described as [insert description] and provided pursuant to 19 CFR 133.21(f) was (damaged/destroyed/lost) during examination, testing, or other use.”

* * * * *

§ 133.25 [Amended]

■ 7. Section 133.25 is amended:
■ a. By removing the word “Customs” wherever it appears, and in its place adding the word “CBP”;

- b. In paragraph (b) by removing the words “owner of the trademark” wherever it appears, and adding in their place the words “owner of the recorded mark”; and
- c. In paragraph (c):
 - i. By removing the words “trademark or trade name owner” and adding in their place the words “owner of the recorded mark or trade name” in the paragraph heading;
 - ii. By removing the words “owner of the trademark” and adding in their place “owner of the recorded mark” in the first sentence;
 - iii. By revising the second sentence; and
 - iv. By removing the words “trademark or trade name owner” and adding in their place the words “owner of the recorded mark or trade name” in the fifth sentence.

The revision reads as follows:

§ 133.25 Procedure on detention of articles subject to restriction.

* * * * *

(c) * * * CBP may release a sample under this paragraph when the owner of the recorded mark or trade name furnishes to CBP a bond in an amount specified by CBP and containing the conditions set forth in § 113.70 of this chapter. * * *

* * * * *

■ 8. Section 133.42 is revised to read as follows:

§ 133.42 Piratical articles; Unlawful copies or phonorecords of recorded copyrighted works.

(a) *Definition.* A “piratical article,” for purposes of this part, is an unlawfully made (without the authorization of the copyright owner) copy or phonorecord of a recorded copyrighted work, importation of which is prohibited by the Copyright Act of 1976, as amended.

(b) *Detention, notice, and disclosure of information—(1) Detention period.* CBP may detain any article of domestic or foreign manufacture imported into the United States that is suspected of constituting a piratical article in violation of a copyright recorded with CBP. The detention will be for a period of up to 30 days from the date on which the merchandise is presented for examination. In accordance with 19 U.S.C. 1499(c), if, after the detention period, the article is not released, the article will be deemed excluded for purposes of 19 U.S.C. 1514(a)(4).

(2) *Notice of detention to importer and disclosure to owner of the recorded copyrighted work—(i) Notice and seven business day response period.* Within five business days from the date of a decision to detain suspect merchandise,

CBP will notify the importer in writing of the detention as set forth in § 151.16(c) of this chapter and 19 U.S.C. 1499. CBP will also inform the importer that for purposes of assisting CBP in determining whether the detained merchandise is a piratical article:

(A) CBP may have previously disclosed to the owner of the recorded copyright, prior to issuance of the notice of detention, limited importation information concerning the detained merchandise, as described in paragraph (b)(4) of this section, and, in any event, such information may be released to the owner of the recorded copyright, if available, no later than the date of issuance of the notice of detention; and

(B) CBP may disclose to the owner of the recorded copyright information that appears on the detained merchandise and/or its retail packaging, including unredacted photographs, images, or samples, as described in paragraph (b)(3) of this section, unless the importer provides information within seven business days of the notification establishing that the detained merchandise is not piratical.

(ii) *Failure of importer to respond or insufficient response to notice.* Where the importer does not provide information within the seven business day response period, or the information provided is insufficient for CBP to determine that the merchandise is not piratical, CBP will proceed with the disclosure of information as described in paragraph (b)(3) of this section to the owner of the recorded copyright, if CBP concludes that the disclosure would assist CBP in its determination, and provided that disclosure would not compromise an ongoing law enforcement investigation or national security. CBP will notify the importer in case of any such disclosure.

(3) *Disclosure to owner of the recorded copyright of information appearing on detained merchandise and/or its retail packaging, including unredacted photographs, images, or samples.* CBP will disclose information appearing on the merchandise and/or its retail packaging (including labels), and images (including photographs) of the merchandise and/or its retail packaging in its condition as presented for examination (*i.e.*, an unredacted condition) if CBP concludes that the disclosure of information to the owner of the recorded copyright as described in paragraph (b)(2)(ii) of this section would assist CBP in its determination, and provided that disclosure would not compromise an ongoing law enforcement investigation or national security. CBP may also provide a sample of the merchandise and/or its retail

packaging in its condition as presented for examination to the owner of the recorded copyright. The release of a sample will be in accordance with, and subject to, the bond and return requirements of paragraph (c) of this section. The disclosure may include any serial numbers, dates of manufacture, lot codes, batch numbers, universal product codes, or other identifying markings appearing on the merchandise or its retail packaging (including labels), in alphanumeric or other formats.

(4) *Disclosure to owner of recorded copyright of limited importation information.* From the time merchandise is presented for examination, CBP may disclose to the owner of the recorded copyright limited importation information to obtain assistance in determining whether an imported article is a piratical article. If the information is unavailable at the time the notice of detention is issued, CBP may release the information after issuance of the notice of detention. The limited importation information CBP may disclose to the owner of the recorded copyright consists of:

(i) The date of importation;

(ii) The port of entry;

(iii) The description of the merchandise, for merchandise not yet detained, from the paper or electronic equivalent of the entry (as defined in § 142.3(a)(1) or (b) of this chapter), the CBP Form 7512, cargo manifest, advance electronic information or other entry document as appropriate, or, for detained merchandise, from the notice of detention;

(iv) The quantity, for merchandise not yet detained, as declared on the paper or electronic equivalent of the entry (as defined in § 142.3(a)(1) or (b) of this chapter), the CBP Form 7512, cargo manifest, advance electronic information, or other entry document as appropriate, or, for detained merchandise, from the notice of detention; and

(v) The country of origin of the merchandise.

(5) *Disclosure to owner of recorded copyright of redacted photographs, images and samples.* Notwithstanding the notice and seven business day response procedure of paragraph (b)(2) of this section, CBP may, in order to obtain assistance in determining whether an imported article is a piratical article and at any time after presentation of the merchandise for examination, provide to the owner of the recorded copyright photographs, images, or a sample of the suspect merchandise or its retail packaging (including labels), provided that identifying information has been

removed, obliterated, or otherwise obscured. Identifying information includes, but is not limited to, serial numbers, dates of manufacture, lot codes, batch numbers, universal product codes, the name or address of the manufacturer, exporter, or importer of the merchandise, or any markings that could reveal the name or address of the manufacturer, exporter, or importer of the merchandise, in alphanumeric or other formats. CBP may release a sample under this paragraph when the owner of the recorded copyright furnishes to CBP a bond in an amount specified by CBP and containing the conditions set forth in § 113.70 of this chapter. CBP may demand the return of the sample at any time. The owner of the recorded copyright must return the sample to CBP upon demand or at the conclusion of any examination, testing, or similar procedure performed on the sample. In the event that the sample is damaged, destroyed, or lost while in the possession of the owner of the recorded copyright, the owner must, in lieu of return of the sample, certify to CBP that: “The sample described as [insert description] and provided pursuant to 19 CFR 133.42(b)(5) was (damaged/destroyed/lost) during examination, testing, or other use.”

(c) *Conditions of disclosure to owner of recorded copyright of information appearing on detained merchandise and/or its retail packaging, including unredacted photographs, images and samples*—(1) *Disclosure for limited purpose of assisting CBP in piratical merchandise determinations.* In accordance with paragraphs (b)(2)(ii) and (b)(3) of this section, when CBP discloses information to the owner of the recorded copyright prior to seizure, CBP will notify the owner of the recorded copyright that some or all of the information being released may be subject to the protections of the Trade Secrets Act, and that CBP is only disclosing the information to the owner of the recorded copyright for the purpose of assisting CBP in determining whether the merchandise is a piratical article.

(2) *Bond.* CBP may release a sample under paragraphs (b)(2)(ii) and (3) of this section when the owner of the recorded copyright furnishes to CBP a bond in an amount specified by CBP and containing the conditions set forth in § 113.70 of this chapter. CBP may demand the return of the sample at any time. The owner of the recorded copyright must return the sample to CBP upon demand or at the conclusion of any examination, testing, or similar procedure performed on the sample. In the event that the sample is damaged,

destroyed, or lost while in the possession of the owner of the recorded copyright, the owner must, in lieu of return of the sample, certify to CBP that: “The sample described as [insert description] and provided pursuant to 19 CFR 133.42(c) was (damaged/destroyed/lost) during examination, testing, or other use.”

(d) *Disclosure to importer of unredacted photographs, images, and samples.* CBP will disclose to the importer unredacted photographs, images, or an unredacted sample of imported merchandise suspected of being a piratical article at any time after the merchandise is presented to CBP for examination. CBP may demand the return of the sample at any time. The importer must return the sample to CBP upon demand or at the conclusion of any examination, testing, or similar procedure performed on the sample. In the event that the sample is damaged, destroyed, or lost while in the possession of the importer, the importer must, in lieu of return of the sample, certify to CBP that: “The sample described as [insert description] and provided pursuant to 19 CFR 133.42(d) was (damaged/destroyed/lost) during examination, testing, or other use.”

(e) *Seizure and disclosure to owner of the recorded copyright of comprehensive importation information.* Upon a determination by CBP, made any time after the merchandise has been presented for examination, that an article of domestic or foreign manufacture imported into the United States is a piratical article, CBP will seize such merchandise and, in the absence of the written consent of the owner of the recorded copyright (see paragraph (g) of this section), forfeit the seized merchandise in accordance with the customs laws. When merchandise is seized under this section, CBP will disclose to the owner of the recorded copyright the following comprehensive importation information, if available, within 30 business days from the date of the notice of the seizure:

- (1) The date of importation;
- (2) The port of entry;
- (3) The description of the merchandise from the notice of seizure;
- (4) The quantity as set forth in the notice of seizure;
- (5) The country of origin of the merchandise;
- (6) The name and address of the manufacturer;
- (7) The name and address of the exporter; and
- (8) The name and address of the importer.

(f) *Disclosure to owner of recorded copyright, following seizure, of*

unredacted photographs, images, and samples. At any time following a seizure of a piratical article under this section, and upon receipt of a proper request from the owner of the recorded copyright, CBP may provide, if available, photographs, images, or a sample of the seized merchandise and its retail packaging, in its condition as presented for examination, to the owner of the recorded copyright. CBP may release a sample under this paragraph when the owner of the recorded copyright furnishes to CBP a bond in the amount specified by CBP and containing the conditions set forth in § 113.70 of this chapter. CBP may demand the return of the sample at any time. The owner of the recorded copyright must return the sample to CBP upon demand or at the conclusion of the examination, testing, or other use. In the event that the sample is damaged, destroyed, or lost while in the possession of the owner of the recorded copyright, the owner must, in lieu of return of the sample, certify to CBP that: “The sample described as [insert description] and provided pursuant to 19 CFR 133.42(f) was (damaged/destroyed/lost) during examination, testing, or other use.”

(g) *Consent of the owner of the recorded copyright; failure to make appropriate disposition.* The owner of the recorded copyright, within thirty days from notification of seizure, may provide written consent to the importer allowing the importation of the seized merchandise in its condition as imported or its exportation, entry after obliteration of the recorded copyright, or other appropriate disposition. Otherwise, the merchandise will be disposed of in accordance with § 133.52, subject to the importer’s right to petition for relief from forfeiture under the provisions of part 171 of this chapter.

§§ 133.43 and 133.44 [Removed and Reserved]

- 9. Sections 133.43 and 133.44 are removed and reserved.
- 10. Redesignate subpart F as subpart G and add new subpart F, consisting of §§ 133.47 and 133.48, to read as follows:

Subpart F—Enforcement of the Prohibition on Importation of Merchandise Capable of Circumventing Technological Measures for Protection of Copyright

§ 133.47 Articles suspected of violating the Digital Millennium Copyright Act

(a) *Definitions*—(1) *Copyright protection measure.* A technological measure that effectively controls access

to a copyrighted work for which the copyright has been recorded with CBP.

(2) *Articles that violate the DMCA.* Articles that violate the importation prohibitions of the Digital Millennium Copyright Act (DMCA), 17 U.S.C. 1201, consist of products, devices, components, or parts thereof primarily designed or produced for the purpose of circumventing a copyright protection measure, or which have only a limited commercially significant purpose or use other than such circumvention, or which are knowingly marketed by the manufacturer, importer, consignee, or other trafficker in such articles, or another acting in concert with the manufacturer importer, consignee, or trafficker for use in such circumvention.

(3) *Eligible person.* The owner of a recorded copyright, who employs a copyright protection measure that may have been circumvented or attempted to be circumvented by articles that violate the importation prohibitions of the DMCA.

(4) *Injured person.* The owner of a recorded copyright, who employs a copyright protection measure that has been circumvented or attempted to be circumvented by articles seized for violation of the importation prohibitions of the DMCA, and who has successfully applied to CBP for DMCA protections pursuant to paragraph (b)(2)(iii) of this section.

(b) *Detention, notice, and disclosure of information—(1) Detention period.* CBP may detain any article of domestic or foreign manufacture imported into the United States that it suspects is in violation of the DMCA, as described in paragraph (a)(1) of this section. The detention will be for a period of up to 30 days from the date on which the merchandise is presented for examination. In accordance with 19 U.S.C. 1499(c), if, after the detention period, the article is not released, the article will be deemed excluded for the purposes of 19 U.S.C. 1514(a)(4).

(2) *Notice of detention to importer and disclosure to eligible persons—(i) Notice and seven business day response period.* Within five business days from the date of a decision to detain suspect merchandise, CBP will notify the importer in writing of the detention as set forth in § 151.16(c) of this chapter and 19 U.S.C. 1499. CBP will also inform the importer that for purposes of assisting CBP in determining whether the detained merchandise violates the DMCA:

(A) CBP may have previously disclosed to the eligible person, prior to issuance of the notice of detention, limited importation information concerning the detained merchandise,

as described in paragraph (b)(4) of this section, and, in any event, such information may be released to the eligible person, if available, no later than the date of issuance of the notice of detention; and

(B) CBP may disclose to the eligible person information that appears on the detained merchandise and/or its retail packaging, including unredacted photographs, images, or samples, as described in paragraph (b)(3) of this section, unless the importer provides information within seven business days of the notification establishing that the detained merchandise does not violate the DMCA.

(ii) *Failure of importer to respond or insufficient response to notice.* Where the importer does not provide information within the seven business day response period, or the information provided is insufficient for CBP to determine that the merchandise does not violate the DMCA, CBP will proceed with the disclosure of information, as described in paragraph (b)(3) of this section, to the eligible person if CBP concludes that the disclosure would assist CBP in its determination, and provided that the disclosure would not compromise an ongoing law enforcement investigation or national security. CBP will notify the importer in case of any such disclosure.

(iii) *Request for DMCA protections and establishment of a list of persons approved for post-seizure disclosures.* Eligible persons may apply to receive post-seizure disclosures from CBP by attaching a letter requesting such disclosures to an application to record copyright. CBP will add those persons CBP approves for such disclosures to a list that CBP will maintain. CBP will provide the post-seizure disclosures described in this section to injured persons, as defined in this part, appearing on the list. CBP will publish notice of the establishment of the list in the **Federal Register**. After the list has been established, CBP will publish notice of revisions to the list in the **Federal Register**.

(3) *Disclosure to eligible persons of information appearing on detained merchandise and/or its retail packaging, including unredacted photographs, images or samples.* CBP will disclose information appearing on the merchandise and/or its retail packaging (including labels) and images (including photographs) of the merchandise and/or its retail packaging in its condition as presented for examination (*i.e.*, an unredacted condition) if CBP concludes that the disclosure of information to the eligible person as described in paragraph (b)(2)(ii) of this section would

assist CBP in its determination, and provided that the disclosure would not compromise an ongoing law enforcement investigation or national security. CBP may also provide a sample of the merchandise and/or its retail packaging in its condition as presented for examination to the eligible person. The release of a sample will be in accordance with, and subject to, the bond and return requirements of paragraph (c) of this section. The disclosure may include any serial numbers, dates of manufacture, lot codes, batch numbers, universal product codes, or other identifying markings appearing on the merchandise or its retail packaging (including labels), in alphanumeric or other formats.

(4) *Disclosure to eligible person of limited importation information.* From the time merchandise is presented for examination, CBP may disclose to the eligible person limited importation information in order to obtain assistance in determining whether an imported article violates the DMCA. If the information is unavailable at the time the notice of detention is issued, CBP may release the information after issuance of the notice of detention. The limited importation information CBP may disclose to the eligible person consists of:

- (i) The date of importation;
- (ii) The port of entry;
- (iii) The description of the merchandise, for merchandise not yet detained, from the paper or electronic equivalent of the entry (as defined in § 142.3(a)(1) or (b) of this chapter), the CBP Form 7512, cargo manifest, advance electronic information or other entry document as appropriate, or, for detained merchandise, from the notice of detention;
- (iv) The quantity, for merchandise not yet detained, as declared on the paper or electronic equivalent of the entry (as defined in § 142.3(a)(1) or (b) of this chapter), the CBP Form 7512, cargo manifest, advance electronic information, or other entry document as appropriate, or, for detained merchandise, from the notice of detention; and
- (v) The country of origin of the merchandise.

(5) *Disclosure to eligible person of redacted photographs, images and samples.* Notwithstanding the notice and seven business day response procedure of paragraph (b)(2) of this section, CBP may, in order to obtain assistance in determining whether an imported article violates the DMCA and at any time after presentation of the merchandise for examination, provide to the eligible person photographs,

images, or a sample of the suspect merchandise or its retail packaging (including labels), provided that identifying information has been removed, obliterated, or otherwise obscured. Identifying information includes, but is not limited to, serial numbers, dates of manufacture, lot codes, batch numbers, universal product codes, the name or address of the manufacturer, exporter, or importer of the merchandise, or any markings that could reveal the name or address of the manufacturer, exporter, or importer of the merchandise, in alphanumeric or other formats. CBP may release a sample under this paragraph when the eligible person furnishes to CBP a bond in an amount specified by CBP and containing the conditions set forth in § 113.70 of this chapter. CBP may demand the return of the sample at any time. The eligible person must return the sample to CBP upon demand or at the conclusion of any examination, testing, or similar procedure performed on the sample. In the event that the sample is damaged, destroyed, or lost while in the possession of the eligible person, the eligible person must, in lieu of return of the sample, certify to CBP that: “The sample described as [insert description] and provided pursuant to 19 CFR 133.47(b)(5) was (damaged/destroyed/lost) during examination, testing, or other use.”

(c) *Conditions of disclosure to eligible person of information appearing on detained merchandise and/or its retail packaging, including unredacted photographs, images and samples*—(1) *Disclosure for limited purpose of assisting CBP in DMCA determinations.* In accordance with paragraphs (b)(2)(ii) and (3) of this section, when CBP discloses information to an eligible person prior to seizure, CBP will notify the eligible person that some or all of the information being released may be subject to the protections of the Trade Secrets Act, and that CBP is only disclosing the information to the eligible person for the purpose of assisting CBP in determining whether the merchandise violates the DMCA.

(2) *Bond.* CBP may release a sample under paragraphs (b)(2)(ii) and (3) of this section when the eligible person furnishes to CBP a bond in an amount specified by CBP and containing the conditions set forth in § 113.70 of this chapter. CBP may demand the return of the sample at any time. The eligible person must return the sample to CBP upon demand or at the conclusion of any examination, testing, or similar procedure performed on the sample. In the event that the sample is damaged, destroyed, or lost while in the

possession of the eligible person, the eligible person must, in lieu of return of the sample, certify to CBP that: “The sample described as [insert description] and provided pursuant to 19 CFR 133.47(c) was (damaged/destroyed/lost) during examination, testing, or other use.”

(d) *Disclosure to importer of unredacted photographs, images or samples.* CBP will disclose to the importer unredacted photographs, images, or an unredacted sample of imported merchandise suspected of violating the DMCA at any time after the merchandise is presented to CBP for examination. CBP may demand the return of the sample at any time. The importer must return the sample to CBP upon demand or at the conclusion of any examination, testing, or similar procedure performed on the sample. In the event that the sample is damaged, destroyed, or lost while in the possession of the importer, the importer must, in lieu of return of the sample, certify to CBP that: “The sample described as [insert description] and provided pursuant to 19 CFR 133.47(d) was (damaged/destroyed/lost) during examination, testing, or other use.”

(e) *Seizure and disclosure to injured person of comprehensive importation information.* Upon a determination by CBP, made any time after the merchandise has been presented for examination, that an article of domestic or foreign manufacture imported into the United States violates the DMCA as described in paragraph (a)(1) of this section, CBP will seize such merchandise and, in the absence of written consent of the injured person (see paragraph (g) of this section), forfeit the seized merchandise in accordance with the customs laws. When merchandise is seized under this section, CBP will disclose to the injured person the following comprehensive importation information, if available, within 30 business days from the date of the notice of the seizure:

- (1) The date of importation;
- (2) The port of entry;
- (3) The description of the merchandise from the notice of seizure;
- (4) The quantity as set forth in the notice of seizure;
- (5) The country of origin of the merchandise;
- (6) The name and address of the manufacturer;
- (7) The name and address of the exporter; and
- (8) The name and address of the importer.

(f) *Disclosure to injured person, following seizure, of unredacted photographs, images and samples.* At

any time following a seizure of DMCA-violative merchandise under this section, and upon receipt of a proper request from the injured person, CBP may provide, if available, photographs, images, or a sample of the seized merchandise and its retail packaging or labels, in its condition as presented for examination, to the injured person. CBP may release a sample under this paragraph when the injured party furnishes to CBP a bond in an amount specified by CBP and containing the conditions set forth in § 113.70 of this chapter. CBP may demand the return of the sample at any time. The injured person must return the sample to CBP upon demand or at the conclusion of the examination, testing, or other use. In the event that the sample is damaged, destroyed, or lost while in the possession of the injured person, the injured person must, in lieu of return of the sample, certify to CBP that: “The sample described as [insert description] and provided pursuant to 19 CFR 133.47(f) was (damaged/destroyed/lost) during examination, testing, or other use.”

(g) *Consent of the owner of the recorded copyright; failure to make appropriate disposition.* The owner of the recorded copyright, within thirty days from notification of seizure, may provide written consent to the importer allowing the importation of the seized merchandise in its condition as imported or its exportation, entry after obliteration of the recorded copyright, or other appropriate disposition. Otherwise, the merchandise will be disposed of in accordance with § 133.52 of this part, subject to the importer’s right to petition for relief from forfeiture under the provisions of part 171 of this chapter.

§ 133.48 Demand for redelivery of released articles

If it is determined that articles which have been released from CBP custody are subject to the prohibitions or restrictions of this subpart, an authorized CBP official will promptly make demand for redelivery of the articles in accordance with § 141.113 of this chapter. If the articles are not redelivered to CBP custody under the terms of the bond on CBP Form 301, containing the bond conditions set forth in § 113.62 of this chapter, a claim for liquidated damages will be made in accordance with § 141.113 of this chapter.

§ 133.51 [Amended]

■ 11. Section 133.51 is amended in paragraph (a) by:

- a. Adding the words "including the DMCA," after the words "trademark or copyright laws,"; and
- b. Removing the phrase "§ 133.24 or § 133.46." and adding in its place the phrase "§§ 133.24, 133.46, or 133.48 of this part."

§ 133.52 [Amended]

- 12. Section 133.52 is amended in paragraph (b) by adding the phrase "except as provided in §§ 133.42(g) and 133.47(g) of this part" after the word "destroyed".

PART 148—PERSONAL DECLARATIONS AND EXEMPTIONS

- 13. The general authority citation for part 148 continues and new specific authority is added for § 148.55, to read as follows:

Authority: 19 U.S.C. 66, 1496, 1498, 1624. The provisions of this part, except for subpart C, are also issued under 19 U.S.C. 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States).

* * * * *

Section 148.55 also issued under 17 U.S.C. 602 and 19 U.S.C. 1526;

* * * * *

- 14. Amend § 148.55 by revising the section heading and paragraphs (a) and (c) to read as follows:

§ 148.55 Exemption for articles embodying American trademark or copyright.

(a) *Application of Exemption.* An exemption is provided for articles bearing a counterfeit mark (as defined in § 133.21(a) of this chapter) or piratical articles (as defined in § 133.42(a) of this chapter) accompanying any person arriving in the United States which would be prohibited entry under 19 U.S.C. 1526, 15 U.S.C. 1124, or 17 U.S.C. 602. The exemption may be applied either to those piratical articles or to those articles bearing a counterfeit mark that are of foreign manufacture and bear a recorded mark owned by a citizen of, or a corporation or association created or organized within, the United States, when imported for the arriving person's personal use in the quantities provided in paragraph (c) of this section.

* * * * *

(c) *Quantities.* Generally, every 30 days, persons arriving in the United States may apply the exemption to the following: one piratical article of each type, or one article of each type bearing a counterfeit mark, and/or one piratical article of each type that is also an article bearing a counterfeit mark. The Commissioner shall determine if more than one article may be entered and,

with the approval of the Secretary of the Treasury, publish in the **Federal Register** a list of types of articles and the quantities of each entitled to the exemption. If the owner of a recorded mark or recorded copyright allows importation of more than one article normally prohibited entry under 19 U.S.C. 1526, 15 U.S.C. 1124, or 17 U.S.C. 602, the total of those articles authorized by the owner may be entered without penalty.

PART 151—EXAMINATION, SAMPLING, AND TESTING OF MERCHANDISE

- 15. The general authority citation for part 151 continues to read as follows:

Authority: 19 U.S.C. 66, 1202 (General Note 3(i) and (j), Harmonized Tariff Schedule of the United States (HTSUS), 1624;

* * * * *

- 16. Amend § 151.16 by:

- a. Revising paragraphs (a), (b), and (c);
- b. Removing the word "Customs" wherever it appears and adding in its place the term "CBP", and removing the word "shall" wherever it appears and adding in its place the word "will" in paragraph (d);
- c. Removing the word "Customs" and adding in its place the term "CBP" in paragraph (e);
- d. Removing the word "Customs" wherever it appears and adding in its place the term "CBP", and removing the word "shall" and adding in its place the word "will" in paragraph (f);
- e. Removing the word "shall" and adding in its place the word "will" in paragraph (g);
- f. Removing the word "Customs" and adding in its place the term "CBP" in paragraph (h);
- g. Removing the word "Customs" and adding in its place the term "CBP", and removing the word "shall" and adding in its place the word "will" in paragraph (i); and
- h. Removing the word "Customs" and adding in its place the term "CBP" in paragraph (j).

The revisions read as follows:

§ 151.16 Detention of merchandise.

(a) *Exemptions from applicability.* The provisions of this section are not applicable to detentions effected by CBP on behalf of other agencies of the U.S. Government in whom the determination of admissibility is vested.

(b) *Decision to detain or release.* Within five business days from the date on which merchandise is presented for CBP examination, CBP will decide whether to release or detain merchandise. Merchandise that is not

released within the five business day period will be considered to be detained merchandise under 19 U.S.C. 1499(c)(1). For purposes of this section, merchandise will be considered to be presented for CBP examination when it is in a condition to be viewed and examined by a CBP officer. Mere presentation to the examining officer of a cargo van, container, or instrument of international traffic in which the merchandise to be examined is contained will not be considered to be presentation of merchandise for CBP examination for purposes of this section. Except when merchandise is examined at the public stores, the importer must pay all costs relating to the preparation and transportation of merchandise for CBP examination.

(c) *Notice of detention.* If a decision to detain merchandise is made, or the merchandise is not released within the five business day period described in paragraph (b) of this section, CBP will issue a notice to the importer or other party having an interest in such merchandise within five business days from such decision or failure to release. Issuance of a notice of detention is not to be construed as a final determination as to admissibility of the merchandise. The notice will be prepared by the CBP officer detaining the merchandise and will advise the importer or other interested party of the:

- (1) Initiation of the detention, including the date the merchandise was presented for examination;
- (2) Specific reason for the detention;
- (3) Anticipated length of the detention;
- (4) Nature of the tests or inquiries to be conducted; and
- (5) Nature of any information which, if supplied to CBP, may accelerate the disposition of the detention.

* * * * *

PART 177—ADMINISTRATIVE RULINGS

- 17. The general authority citation for part 177 continues to read as follows:

Authority: 5 U.S.C. 301, 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States), 1502, 1624, 1625.

* * * * *

§ 177.0 [Amended]

- 18. In § 177.0 remove the words "part 133 (relating to disputed claims of

piratical copying of copyrighted matter);”.

Robert E. Perez,

Deputy Commissioner, U.S. Customs and Border Protection.

Approved: October 2, 2019.

Timothy E. Skud,

Deputy Assistant Secretary of the Treasury.

[FR Doc. 2019–21980 Filed 10–15–19; 8:45 am]

BILLING CODE 9111–14–P

NATIONAL LABOR RELATIONS BOARD

29 CFR Part 103

RIN 3142–AA15

Jurisdiction—Nonemployee Status of University and College Students Working in Connection With Their Studies; Correction and Extension of Comment Period

AGENCY: National Labor Relations Board.

ACTION: Notice of proposed rulemaking; Correction; extension of comment period.

SUMMARY: This document corrects the preamble to a proposed rule published in the **Federal Register** of September 23, 2019, regarding Nonemployee Status of University and College Students Working in Connection with Their Studies. This correction revises the Regulatory Flexibility Act section in the preamble of the proposed rule to substitute an Initial Regulatory Flexibility Analysis. The date to submit responses to the Notice of Proposed Rulemaking is also extended for 60 days.

DATES: The comment period for the notice of proposed rulemaking published at 84 FR 49691 is extended. Comments must be received by the Board on or before Monday, December 16, 2019. Comments replying to comments submitted during the initial comment period must be received by the Board on or before Monday, December 30, 2019.

FOR FURTHER INFORMATION CONTACT: Roxanne Rothschild, Executive Secretary, National Labor Relations Board, 1015 Half Street SE, Washington, DC 20570–0001, (202) 273–1940 (this is not a toll-free number), 1–866–315–6572 (TTY/TDD).

SUPPLEMENTARY INFORMATION:

Correction

In proposed rule FR 2019–20510, beginning on page 49691 in the issue of September 23, 2019, make the following

correction, in the **SUPPLEMENTARY INFORMATION** section. On page 49699, in the 1st column, revise the text between “*Regulatory Flexibility Act*” and “*Paperwork Reduction Act*” to read as follows:

A. Initial Regulatory Flexibility Analysis

The Regulatory Flexibility Act of 1980 (“RFA”), 5 U.S.C. 601, *et seq.*, ensures that agencies “review draft rules to assess and take appropriate account of the potential impact on small businesses, small governmental jurisdictions, and small organizations, as provided by the [RFA].”¹ It requires agencies promulgating proposed rules to prepare an Initial Regulatory Flexibility Analysis (“IRFA”) and to develop alternatives wherever possible, when drafting regulations that will have a significant impact on a substantial number of small entities.² However, an agency is not required to prepare an IRFA for a proposed rule if the agency head certifies that, if promulgated, the rule will not have a significant economic impact on a substantial number of small entities.³ The RFA does not define either “significant economic impact” or “substantial number of small entities.”⁴ Additionally, “[i]n the absence of statutory specificity, what is ‘significant’ will vary depending on the economics of the industry or sector to be regulated. The agency is in the best position to gauge the small entity impacts of its regulations.”⁵

As discussed below, the Board believes its proposed rule will likely not have a significant economic impact on a substantial number of small entities but is not certain. The Board assumes for purposes of this analysis that a substantial number of small employers and small entity labor unions will be impacted by this rule because at a minimum, they will need to review and understand the effect of the proposed standard as it relates to undergraduate and graduate students who perform services for compensation in connection with their studies. Additionally, there may be compliance costs that are unknown to the Board.

¹ E.O. 13272, Sec. 1, 67 FR 53461 (“Proper Consideration of Small Entities in Agency Rulemaking”).

² Under the RFA, the term “small entity” has the same meaning as “small business,” “small organization,” and “small governmental jurisdiction.” 5 U.S.C. 601(6).

³ 5 U.S.C. 605(b).

⁴ 5 U.S.C. 601.

⁵ Small Business Administration Office of Advocacy, “A Guide for Government Agencies: How to Comply with the Regulatory Flexibility Act” (“SBA Guide”) at 18, <https://www.sba.gov/sites/default/files/advocacy/How-to-Comply-with-the-RFA-WEB.pdf>.

For these reasons, the Board has elected to prepare an IRFA to provide the public the fullest opportunity to comment on the proposed rule.⁶ An IRFA describes why an action is being proposed; the objectives and legal basis for the proposed rule; the number of small entities to which the proposed rule would apply; any projected reporting, recordkeeping, or other compliance requirements of the proposed rule; any overlapping, duplicative, or conflicting Federal rules; and any significant alternatives to the proposed rule that would accomplish the stated objectives, consistent with applicable statutes, and that would minimize any significant adverse economic impacts of the proposed rule on small entities.⁷ An IRFA also presents an opportunity for the public to provide comments that will shed light on impacted entities and potential compliance costs that are unknown to the Board or on any other part of the IRFA.

Detailed descriptions of this proposed rule, its purpose, objectives, and the legal basis are contained in the **SUMMARY** and **SUPPLEMENTAL INFORMATION** sections of the Notice of Proposed Rulemaking. See 84 FR 49691. In brief, the proposed rule states that students who perform any services, including teaching or research assistance, at a private college or university related to their studies are not statutory employees subject to jurisdiction of the Board. The Board has concluded that this rule—providing that undergraduate and graduate students performing services in connection with their studies are not statutory employees—is more consistent with the purposes and policies of the National Labor Relations Act (Act or NLRA), which contemplates jurisdiction over economic relationships not those that are primarily educational in nature.

B. Description and Estimate of Number of Small Entities to Which the Rule Applies

To evaluate the impact of the proposed rule, the Board first identified the universe of small entities that could be impacted by the determination that students who perform services at a private college or university in connection with their studies are not statutory employees. The United States Census Bureau does not specifically define “small business” but does break down its data into firms with fewer than

⁶ After a review of the comments, the Board may elect to certify that the rule will not have a significant economic impact on a substantial number of small entities in the publication of the final rule. 5 U.S.C. 605(b).

⁷ 5 U.S.C. 603(b).

500 employees and those with 500 or more employees. Consequently, the 500-employee threshold is commonly used to describe the universe of small entities. However, for defining small businesses among specific industries, the standards are defined by the North American Industry Classification System (NAICS).

The Board believes that the proposed rule only impacts private universities and colleges and the labor organizations that seek to represent students at those institutions. Universities and colleges are classified under the NAICS Sector 61 Educational Services, specifically 611210: Junior Colleges; and 611310: Colleges, Universities, and Professional Schools.⁸ According to the Census Bureau, there were 2,746 entities included in those two NAICS definitions, and of those, 1,747 entities (63.6 percent of total) are small entities that fall under the Small Business Administration's ("SBA") "small business" standard for classifications in NAICS codes 611210 (\$20.5 million) and 611310 (\$27.5 million).⁹

This proposed change will also impact labor organizations that represent or seek to represent employees at universities and colleges. Labor organizations, as defined by the NLRA, are entities "in which employees participate and which exist for the purpose . . . of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work."¹⁰ The SBA's "small business" standard for NAICS code 813930: Labor Unions and Similar Labor Organizations" is \$7.5 million in annual receipts. In 2012, there were 13,740 labor unions (and similar labor organizations) in the U.S., and of those, 13,408 (97.6 percent of total) are small entities according to SBA standards. The Board lacks the means to accurately identify the number of small labor unions that primarily represent employees in the private higher education sector but welcomes input from the public.

Although the proposed rule would only apply to colleges and universities

⁸ See U.S. Department of Commerce, Bureau of Census, 2012 Statistics of U.S. Businesses ("SUSB") Annual Data Tables by Establishment Industry, <https://www.census.gov/data/tables/2012/econ/subs/2012-susb-annual.html> (from downloaded Excel Table titled "U.S., 6-digit NAICS").

⁹ The Census Bureau only provides data regarding receipts in years ending in 2 or 7. The 2017 data has not been published, so the 2012 data is the most recent available information regarding receipts. See U.S. Department of Commerce, Bureau of Census, 2012 SUSB Annual Data Tables by Establishment Industry, https://www2.census.gov/programs-surveys/subs/tables/2012/us_6digitnaics_r_2012.xlsx.

¹⁰ 29 U.S.C. 152(5).

who meet the Board's jurisdictional requirements, the Board does not have the means to calculate the number of small colleges and universities within the Board's jurisdiction.¹¹ Accordingly, the Board assumes for purposes of this analysis that the great majority of the 15,155 identified small colleges, universities, and labor unions could be impacted by the proposed rule.

C. Recordkeeping, Reporting, and Other Compliance Costs

The RFA requires agencies to consider the direct burden that compliance with a new regulation will likely impose on small entities.¹² Thus, the RFA requires the Board to determine the amount of "reporting, recordkeeping and other compliance requirements" imposed on small entities.¹³

The Board concludes that the proposed rule imposes no capital costs for equipment needed to meet the regulatory requirements; no lost sales and profits resulting from the proposed rule; no changes in market competition as a result of the proposed rule and its impact on small entities or specific submarkets of small entities; and no costs of hiring employees dedicated to compliance with regulatory requirements.¹⁴

Small entities may incur some costs from reviewing the rule in order to understand the substantive changes. To become generally familiar with the proposed student assistant standard, the Board estimates that a human resources specialist at a small employer or labor union may take at most thirty minutes to read the rule. It is also possible that a small employer or labor union may wish to consult with an attorney, which the Board estimates will require thirty minutes.¹⁵ Using the Bureau of Labor

¹¹ Pursuant to 29 U.S.C. 152(6) and (7), the Board has statutory jurisdiction over private sector employers whose activity in interstate commerce exceeds a minimal level. *NLRB v. Fainblatt*, 306 U.S. 601, 606–07 (1939). To this end, the Board has adopted monetary standards for the assertion of jurisdiction that are based on the volume and character of the business of the employer. As relevant to this proceeding, the Board asserts jurisdiction over private colleges and universities if they have a gross annual revenue not less than \$1 million. 35 FR 18370; 29 CFR 103.1.

The Census Bureau does not provide data on the number of colleges and universities with annual receipts less than \$1 million; the lowest data range it covers is for entities with receipts less than \$100 million.

¹² See *Mid-Tex Elec. Co-op v. FERC*, 773 F.2d 327, 342 (D.C. Cir. 1985) ("[I]t is clear that Congress envisioned that the relevant 'economic impact' was the impact of compliance with the proposed rule on regulated small entities.")

¹³ See 5 U.S.C. 603(b)(4), 604(a)(4).

¹⁴ SBA Guide at 37.

¹⁵ We do not believe that more than thirty minutes of time by each would be necessary to read

Statistics' estimated wage and benefit costs, the Board has assessed these labor costs to be \$71.08 for each college, university, and labor union.¹⁶

Although the Board does not foresee any additional compliance costs related to interpreting the definition of statutory employee to exclude student assistants, this change would obviate the need to hold some elections that may have been held in units with students. Arguably, this would conserve resources for small employers and labor unions that would otherwise be expended during organizing campaigns and election-related litigation. The Board is not aware of a basis for estimating any such cost-savings and welcomes any comment or data on this topic.¹⁷

D. Overall Economic Impacts

The Board does not find the estimated, quantifiable cost of reviewing and understanding the rule—\$71.08 for small universities, colleges, and unions in the education sector—to be significant within the meaning of the RFA. In making this finding, one important indicator is the cost of compliance in relation to the revenue of the entity or the percentage of profits affected.¹⁸ Other criteria to be considered are the following:

- Whether the rule will cause long-term insolvency, *i.e.*, regulatory costs that may reduce the ability of the firm to make future capital investment, thereby severely harming its competitive ability, particularly against larger firms;
- Whether the cost of the proposed regulation will (a) eliminate more than 10 percent of the businesses' profits; (b) exceed one percent of the gross revenues of the entities in a

and understand the rule. The rule constitutes a return to the "primarily educational" standard, and most employers and unions are already knowledgeable about that standard if it is relevant to their businesses, as are labor-management attorneys.

¹⁶ For wage figures, see May 2018 National Occupancy Employment and Wage Estimates, found at https://www.bls.gov/oes/current/oes_nat.htm. The Board has been administratively informed that BLS estimates that fringe benefits are approximately equal to 40 percent of hourly wages. Thus, to calculate total average hourly earnings, BLS multiplies average hourly wages by 1.4. In May 2018, average hourly wages for a Human Resources Specialist (BLS #13–1071) were \$32.11. The same figure for a lawyer (BLS #23–1011) was \$69.34. Accordingly, the Board multiplied each of those wage figures by 1.4 and added them to arrive at its estimate.

¹⁷ The RFA explains that in providing initial and final regulatory flexibility analyses, "an agency may provide either a quantifiable or numerical description of the effects of a proposed rule or alternatives to the proposed rule, or more general descriptive statements if quantification is not practicable or reliable." 5 U.S.C. 607.

¹⁸ See SBA Guide at 18.

particular sector, or (c) exceed five percent of the labor costs of the entities in the sector.¹⁹

The minimal cost to read and understand the rule will not generate any such significant economic impacts.

Since the only quantifiable impacts that the Board has identified is the \$71.08 that may be incurred in reviewing and understanding the rule, the Board does not believe there will be a significant economic impact on a substantial number of small entities associated with this proposed rule. The Board welcomes input from the public regarding additional costs of compliance not identified by the Board or costs of compliance the Board identified but lacks the means to accurately estimate.

E. Duplicate, Overlapping, or Conflicting Federal Rules

Agencies are required to include in an IRFA “all relevant Federal rules which may duplicate, overlap or conflict with the proposed rule.”²⁰ The Board has not identified any such federal rules, but welcomes comments that suggest any potential conflicts not noted in this section.

F. Alternatives Considered

Pursuant to 5 U.S.C. 603(c), agencies are directed to look at “any significant alternatives to the proposed rule which accomplish the stated objectives of applicable statutes and which minimize any significant economic impact of the proposed rule on small entities.” Specifically, agencies must consider establishing different compliance or reporting requirements or timetables for small entities, simplifying compliance and reporting for small entities, using performance rather than design standards, and exempting small entities from any part of the rule.²¹

First, the Board considered taking no action. Inaction would leave in place the interpretation of statutory employee under the Act that includes students who perform services for compensation at a private college or university in connection with their studies. However, for the reasons stated in Sections I through IV of the Notice of Proposed Rulemaking (84 FR 49691), the Board finds it desirable to revisit this interpretation and to do so through the rulemaking process. Consequently, the Board rejects maintaining the status quo.

Second, the Board considered creating exemptions for certain small colleges, universities, and labor unions. This was

rejected as impractical, considering that exemptions for small entities would substantially undermine the purposes of the proposed rule because such a large percentage of colleges and universities (63.6 percent) and unions (97.6 percent) would be exempt under the SBA definitions. In this regard, exempting small universities and colleges from the decision to exclude students from the Board’s jurisdiction would incongruously result in the exercise of Board jurisdiction over students who attend small colleges and universities, but not larger educational institutions. Similarly, if a large university employer entered into a bargaining relationship with a small labor union (or vice versa), both entities would be exempted. Drawing this distinction appears to be an impermissible interpretation of the relevant statutory provisions and one that would undermine the policy behind the proposed rule. Moreover, given the very small quantifiable cost of compliance, it is possible that the burden on a small entity of determining whether it fell within a particular exempt category might exceed the burden of compliance. As such, exempting small entities would be contrary to the objectives of this rulemaking and of the NLRA.

Because no alternatives considered will accomplish the objectives of this proposed rule while minimizing costs on small entities, the Board believes that proceeding with this rulemaking is the best regulatory course of action. The Board welcomes public comment on any facet of this IRFA, including alternatives that it has failed to consider.

Dated: October 9, 2019.

Roxanne Rothschild,

Executive Secretary.

[FR Doc. 2019–22436 Filed 10–15–19; 8:45 am]

BILLING CODE 7545–01–P

DEPARTMENT OF THE TREASURY

Fiscal Service

31 CFR Part 208

[FISCAL–2018–0001]

RIN 1510–AB26

Management of Federal Agency Disbursements

AGENCY: Bureau of the Fiscal Service, Treasury.

ACTION: Notice of proposed rulemaking with request for comment.

SUMMARY: The Department of the Treasury (Treasury), Bureau of the

Fiscal Service (Fiscal Service or “we”), is proposing to amend its regulation that requires electronic delivery of all Federal payments aside from tax payments. The proposed rule would eliminate obsolete references in the regulation, including references to the Electronic Transfer Account (ETASM). In addition, the proposed rule would provide for the disbursement of non-benefit payments, including tax payments, through Treasury-sponsored accounts, such as the U.S. Debit Card. The proposed rule would not mandate the electronic delivery of tax payments or affect the Direct Express[®] program, which will continue to be available to recipients of benefit payments.

DATES: Comments on the proposed rule must be received by December 16, 2019.

ADDRESSES: Comments on this rule, identified by docket Fiscal-2018–0001, should be submitted using the following methods:

- *Federal eRulemaking Portal:* www.regulations.gov. Follow the instructions on the website for submitting comments.

- *Mail:* Department of the Treasury, Bureau of the Fiscal Service, Attn: Brett Smith, Director, EFT Strategy Division, 3201 Penny Drive, Bldg/ E, Landover, MD 20785].

Instructions: All submissions received must include the agency name (Bureau of the Fiscal Service) and docket number for this rulemaking. In general, comments received will be published on *Regulations.gov* without change, including any business or personal information provided. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not disclose any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

You can download this proposed rule at the following website: <https://fiscal.treasury.gov/jsservices/gov/pmt/eft/regulations.htm>.

FOR FURTHER INFORMATION CONTACT:

Brett Smith, Director, EFT Strategy Division, at (202) 874–6666 or brett.smith@fiscal.treasury.gov, or Natalie H. Diana, Senior Counsel, at (202) 874–6680 or natalie.diana@fiscal.treasury.gov.

SUPPLEMENTARY INFORMATION:

I. Background

In 1998, Fiscal Service published part 208 of title 31, Code of Federal Regulations (part 208), to implement the requirements of Section 3332, title 31 United States Code, as amended by

¹⁹ See SBA Guide at 19.

²⁰ 5 U.S.C. 603(b)(5).

²¹ 5 U.S.C. 603(c).

subsection 31001(x)(1) of the Debt Collection Improvement Act of 1996 (*Pub. L. 104-134*) (Section 3332). Section 3332 generally requires that all Federal payments other than tax payments be made by electronic funds transfer (EFT), unless waived by the Secretary. The Secretary must ensure that individuals required to receive Federal payments by EFT have access to an account at a financial institution “at a reasonable cost” and with “the same consumer protections with respect to the account as other account holders at the same financial institution.” See 31 U.S.C. 3332(f), (i)(2).

Fiscal Service has had great success in reducing check payments, but still must print and mail close to 60 million checks each year. More than half of these are for non-benefit payments, especially tax payments. Over the years, Fiscal Service has implemented multiple solutions to facilitate electronic payments.

ETASM Accounts

In conjunction with the 1998 publication of part 208, Fiscal Service developed the ETA, a low-cost account offered by participating financial institutions for those individuals who wish to receive their Federal payments by direct deposit. See Notice of Electronic Transfer Account Features, 64 FR 38510 (July 16, 1999). Fiscal Service determined to end the program in 2017 and as of September 2018 all ETA accounts were closed.

Direct Express[®] Card

In 2008, Fiscal Service introduced the Direct Express[®] Debit MasterCard[®] card. The Direct Express card is a low-cost prepaid debit card account developed for Federal benefit recipients (initially, for Social Security and Supplemental Security Income payment recipients). In 2010, Fiscal Service amended part 208 to establish the Direct Express card as an account that meets the requirements of Section 3332(i), which ensures that payment recipients have access to an account at a reasonable cost and with the same consumer protections as other account holders at the financial institution that issues the card.

U.S. Debit Card

Since 2008 Fiscal Service has also sponsored another prepaid card account, the U.S. Debit Card, for our efforts to reduce the number of non-benefit payments made by cash or check. The U.S. Debit Card program enables agencies to make Federal non-benefit payments to recipients through prepaid debit cards instead of through checks or cash. The accounts are issued,

and the program is operated, by a financial institution designated as Fiscal Service’s financial agent. Federal entities and programs use the U.S. Debit Card to make payments for a variety of purposes, including stipends, awards, grants, and travel reimbursements for local visitors and international guests.

In recent years, Fiscal Service has engaged in testing and developing payment methods to facilitate the electronic delivery of Federal non-benefit payments, in order to reduce check payments and provide more options for payment recipients. In particular, Fiscal Service is testing the delivery of payments to virtual accounts (which are accessed online or through a mobile device rather than a plastic card), as well as implementing capabilities to enable payment recipients to receive payments in real-time by providing a debit card number. The U.S. Debit Card program now includes this functionality.

II. Proposed Change to Regulation

Summary of Proposal

We are proposing to update part 208 to reflect the evolution of Fiscal Service’s payment technologies and to eliminate obsolete ETA references and expired EFT waiver categories. The waiver categories that have not expired remain in place without change.

After conducting an analysis of the ETA program in 2017, Fiscal Service concluded that it was time to end the program. As of September 2018, all ETA accounts were closed. Accordingly, we are proposing to remove now-obsolete references to the ETA from the regulation.

We are also proposing to eliminate waiver provisions that have expired due to the passage of time. When part 208 was promulgated in 2010, it included a provision stating that individuals receiving Federal payments by check on March 1, 2011, could continue to do so through February 28, 2013. In addition, the rule provides that individuals who file claims for Federal benefits before March 1, 2011, and who request check payments when they file, may receive payments by check through February 28, 2013. Since the February 28, 2013 deadline has expired, these provisions no longer have any effect and there is no purpose in retaining them in the rule. All other waiver provisions will remain unchanged.

We are proposing to expand the definition of “Federal payment” for purposes of part 208 to include payments made under the Internal Revenue Code of 1986, to support the delivery of tax payments via Treasury-

sponsored accounts. Tax payments would continue to be excluded from the electronic payment mandate that applies to other Federal payments, consistent with Section 3332. However, the definitional change would provide flexibility to offer taxpayers Treasury-sponsored accounts as an electronic payment alternative for the receipt of tax payments on a voluntary basis.

Lastly, because payment methods continue to evolve we are proposing to revise part 208 to address the use of other “Treasury-sponsored accounts” for the delivery of Federal payments. The proposed revisions will provide flexibility to implement new methods of making payments, with the ultimate goal of reducing check payments, modernizing Fiscal Service’s payment capabilities, and offering payment recipients electronic alternatives to checks or direct deposit to a traditional bank account. This will impact the U.S. Debit Card program. However, we are not proposing to change the regulatory treatment of Direct Express accounts or make any changes to the Direct Express program. The concept of Treasury-sponsored accounts and changes to the U.S. Debit Card program are discussed immediately below.

Treasury-Sponsored Accounts

In order to support existing and emerging methods of paying individuals, Fiscal Service is proposing to add a new term, “Treasury-sponsored account,” to the regulation. A Treasury-sponsored account would be defined as an account that a Treasury-designated financial agent establishes and administers for an individual for the disbursement of Federal payments, upon terms and conditions that Treasury considers appropriate. The term “Treasury-sponsored account” would include, but not be limited to, Direct Express and U.S. Debit Cards. Although Fiscal Service does not have current plans to develop Treasury-sponsored accounts other than Direct Express and U.S. Debit Cards, this terminology provides flexibility for the future.

Currently the regulation only addresses the use of accounts established by financial agents to accomplish disbursement of benefit payments and accounts established for disaster victims. The proposed rule would broaden the uses of accounts established by financial agents for disbursement purposes, including to disburse not just benefit payments but also miscellaneous, vendor, expense reimbursement and tax payments. Treasury-disbursed accounts would be required to be made available at a

reasonable cost and with the same consumer protections provided to other account holders at the financial institution, thereby meeting the requirements of Section 3332.

U.S. Debit Card

Historically, Fiscal Service structured the U.S. Debit Card program as a conventional general purpose prepaid card program, which provides payment recipients with access to their funds via a plastic card. Recently, Fiscal Service expanded the U.S. Debit Card program to include a new virtual account option, which allows payment recipients to establish a prepaid account accessible through their mobile devices or online without the use of a plastic card. Payment recipients who open a virtual U.S. Debit Card account have the capability to move their funds in real-time through Direct to Debit functionality, which allows the cardholder to transfer funds on the basis of a debit card number. They may also opt to have a plastic U.S. Debit Card to

access funds in the account if they so choose.

It is Fiscal Service’s view that the U.S. Debit Card meets the statutory “reasonable cost” and “same consumer protection” requirements of Section 3332. A 2014 study by the Federal Reserve Bank of Kansas City found that prepaid cardholders pay, on average, \$11 per month in fees. Some of the fees included in that amount are monthly, account maintenance, IVR and ATM balance inquiry, ATM withdrawal, PIN and signature transaction, and declined transaction fees. See *General Purpose Reloadable Cards: Penetration, Use, Fees and Fraud Risks*, The Federal Reserve Bank of Kansas City, RWP 14–01, February 2017. In contrast, the U.S. Debit Card carries no monthly fee and can be used at no cost in many cases. There are no fees for cardholders to sign up for or activate the card; receive deposits; make purchases at retail locations, online or by telephone; or get cash at retail locations and financial institutions. Cardholders can check

their balances and sign up for alerts via the mobile app, text, telephone or email. If desired, a cardholder may receive a monthly paper statement. There are no fees for declined transactions. Cardholders may close their card account at any time without a fee.

Cardholders may make purchases anywhere VISA® is accepted, including millions of retail locations worldwide, online, or by telephone. Similarly, cardholders may make unlimited free cash withdrawals and check their account balances at Allpoint ATMs as well as one free out-of-network ATM cash withdrawal for every Federal payment the cardholder receives. There are also other means by which cardholders may access their funds for free. Cardholders can transfer funds for free to a bank account and have free use of Money Network™ checks to access their funds. The free services and minimal fees are fully disclosed in materials that are provided to new U.S. Debit Card account holders, as shown in the following chart:

FEE SCHEDULE

Transaction type	Fees
Inactivity Fee *1 (3 consecutive months of no activity)	\$1.50
Money Network™ Check (use, order, or stop payment; cash at participating check-cashing locations)	0.00
Signature Point-of-Sale Transactions (for purchases, declines and returns) | U.S. and Non-U.S.	0.00
PIN Point-of-Sale Transactions—with or without Cash Back (for purchases and declines) | U.S. and Non-U.S.	0.00
PIN Point-of-Sale Transactions—with or without Cash Back (for returns) | U.S. and Non-U.S.	0.00
ATM Withdrawals | U.S. In-Network ATMs including AllPoint Network ATMs (Unlimited)	0.00
ATM Withdrawals | U.S. Out-of-Network ATMs (First Free per deposit)	2.00
ATM Withdrawals | Non-U.S. ATMs	3.00
ATM Inquiries | U.S. and Non-U.S.	0.25
Declined Point-of-Sale (POS) Transaction	0.00
Bank Teller Over-the-Counter Cash Withdrawal (at any bank that displays the logo shown on your card)	7.00
Third-party wallet tokenization (load, transfer, or ACH) *	0.01
Transfer Funds to a Bank Account via ACH transfer *	0.00
Monthly Paper Statement by Mail *	0.00
Periodic Monthly Paper Statement Expedited Mail *	N/A
Balance Inquiries and Alerts | via Mobile App, Automated Phone System, Customer Service, Online Access, or Notifications (push, email or text) *	0.00
Customer Service 24/7 *	\$0.00
* Disbursement or funds transfer via Direct to Debit	* 0.15 + Network Costs
Replacement Card with Standard Delivery	\$7.50
Replacement Card with Expedited Delivery	24.50

* Network costs are the cost of debit network interchange and other network costs imposed directly by the network for a funds transfer. Transactions are routed using a least-cost routing approach to select the available network with the lowest total fee.

U.S. Debit Cardholders are protected by Regulation E (12 CFR part 1005), which generally provides certain protections to a cardholder whose card is lost or stolen, as well as VISA’s Zero Liability protection. Card balances are covered by deposit insurance by the Federal Deposit Insurance Corporation (FDIC) to the extent allowed by law.

Fiscal Service invites comment on how the U.S. Debit Card fees compare with fees for general purpose prepaid cards in the marketplace, as well as fees

for traditional checking or savings accounts. We welcome commenters’ views on whether the U.S. Debit Card fees, in the aggregate, are reasonable.

III. Section-by-Section Analysis

§ 208.1

We are proposing to revise § 208.1 by removing the statement that part 208 does not apply to tax payments. As revised, part 208 would allow for the delivery of tax payments to Treasury-sponsored accounts, but would not

mandate that tax payments be made by EFT.

§ 208.2

Proposed § 208.2(a)–(c) are unchanged.

Proposed § 208.2(d), which defines “disbursement” in the context of electronic benefit transfer, would be broadened into a definition of disbursement for not just benefit payments but also non-benefit payments. The proposed rule would substitute the phrase “payments

electronically delivered to Treasury-sponsored accounts” for the existing phrase “electronic benefit transfer.”

Proposed § 208.2(e), which defines “electronic benefits transfer” (EBT), would substitute the phrase “Treasury-sponsored account” for the existing phrase “a Direct Express card” and remove the reference to the ETA. Thus, the definition of electronic benefits transfer would include Direct Express but not be limited to Direct Express. A reference to Public Law 104–208 has been added to make it clear that the definition of “electronic benefits transfer” applies to the various references in the public law to electronic benefits transfer.

Proposed § 208.2(f) is unchanged.

Proposed § 208.2(g) would set forth the definition of Federal payment, which is currently located at paragraph (h). Currently paragraph (g) sets forth the definition of ETA, which we are proposing to eliminate. The definition of Federal payment would be revised to include payments made under the Internal Revenue Code of 1986, which are currently excluded from the definition.

Proposed § 208.2(h)–(i) are unchanged except that the definitions have been re-lettered from current § 208.2(i)–(j).

Proposed § 208.2(j), which defines Financial Agent, would revise the definition currently located at § 208.2(k). Currently the definition of Financial Agent for purposes of part 208 is limited to a financial agent that provides electronic benefit transfer (EBT) services. As revised, the definition would include a financial institution that has been designated by Treasury as a Financial Agent for the provision of electronic funds transfer services as well.

Proposed § 208.2(k)–(o) are unchanged from the current regulation except that the definitions have been re-lettered.

Proposed § 208.2(p) would add a new term, “Treasury-sponsored account,” defined as a Direct Express card account, a U.S. Debit Card account, or another account established pursuant to § 208.5 or § 208.11.

Proposed § 208.2(q) would add a definition of U.S. Debit Card to part 208.

§ 208.3

§ 208.3 currently states that, subject to § 208.4, and notwithstanding any other provision of law, all Federal payments made by an agency shall be made by electronic funds transfer. Proposed § 208.3 would add a sentence stating that this requirement does not apply to payments under the Internal Revenue Code of 1986. The sentence is necessary

because of the proposed change to the definition of Federal payment to include payments made under the Internal Revenue Code of 1986.

§ 208.4

§ 208.4 contains waivers from the requirement that a Federal payment be made electronically. We are proposing to eliminate the text of current paragraphs (a)(1)(i) and (ii). Those provisions provide, respectively, (i) that payment recipients who were receiving their payments from an agency by check before March 1, 2011, may to continue to receive those payments by check through February 28, 2013 and (ii) that individuals who filed claims for Federal payments before March 1, 2011, and who requested check payments when they filed, are permitted to receive payments by check through February 28, 2013. Because those time periods have expired, the waivers are no longer needed in the regulation. The remaining paragraphs of § 208.4(a)(1) are unchanged except that references to Direct Express accounts would be replaced by references to “Treasury-sponsored accounts.”

§ 208.4(a)(2)–(7) are unchanged. Section 208.4(b) is unchanged except to reflect the renumbering of § 208.4(a)(1) resulting from the deletion of the obsolete waivers.

§ 208.5

Current § 208.5 addresses the provision of ETA accounts. We are proposing to eliminate the text of § 208.5 in its entirety and replace it with a provision stating that Treasury may designate a Financial Agent to establish and administer accounts for individuals for the disbursement of Federal payments. Federal payments, as defined in § 208.2, would include not only benefit payments but also miscellaneous, vendor, expense reimbursement and tax payments. Proposed § 208.5 provides that such accounts may be established upon terms and conditions that the Secretary considers appropriate or necessary and that they shall be made available at a reasonable cost and with the same consumer protections provided to other account holders at the financial institution. These requirements reflect that Treasury may deliver payments to such accounts and the maintenance of accounts and the provision of account-related services under this section shall constitute reasonable duties of a Financial Agent of the United States.

§ 208.6

Currently § 208.6 provides that an individual who receives a benefit

payment is eligible to open a Direct Express account, under terms and conditions established by Treasury. This section also provides that the offering of a Direct Express account constitutes the provision of EBT services within the meaning of Public Law 104–208. As proposed, § 208.6 would be broadened to provide that an individual who receives a Federal payment shall be eligible to open a Treasury-sponsored account, under terms and conditions established by Treasury. The sentence referring to Public Law 104–208 has been deleted as unnecessary in light of revisions to the definition of “electronic benefit transfer.”

§ 208.7

Proposed § 208.7 is unchanged except that the reference to a Direct Express account would be replaced by a reference to a “Treasury-sponsored account.”

§ 208.8

We are proposing to add a sentence to current § 208.8 that would state that for recipients who do not designate a bank account for the receipt of payments, Treasury may disburse payments to a Treasury-sponsored account or to an account to which the recipient is receiving other Federal payments. We request comment on this proposal.

§ 208.9–11

We are not proposing any changes to § 208.9, § 208.10, or § 208.11.

IV. Procedural Analysis

Request for Comment on Plain Language

Executive Order 12866 requires each agency in the Executive branch to write regulations that are simple and easy to understand. We invite comment on how to make the proposed rule clearer. For example, you may wish to discuss: (1) Whether we have organized the material to suit your needs; (2) whether the requirements of the rule are clear; or (3) whether there is something else we could do to make this rule easier to understand.

Regulatory Planning and Review

The proposed rule does not meet the criteria for a “significant regulatory action” as defined in Executive Order 12866. Therefore, the regulatory review procedures contained therein do not apply.

Regulatory Flexibility Act Analysis

It is hereby certified that the proposed rule will not have a significant economic impact on a substantial number of small entities. The rule provisions being amended apply to

individuals who receive Federal payments, and do not have any direct impact on small entities.

Unfunded Mandates Act of 1995

Section 202 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1532 (Unfunded Mandates Act), requires that the agency prepare a budgetary impact statement before promulgating any rule likely to result in a Federal mandate that may result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any one year. If a budgetary impact statement is required, section 205 of the Unfunded Mandates Act also requires the agency to identify and consider a reasonable number of regulatory alternatives before promulgating the rule. We have determined that the proposed rule will not result in expenditures by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any one year. Accordingly, we have not prepared a budgetary impact statement or specifically addressed any regulatory alternatives.

List of Subjects in 31 CFR Part 208

Banks, banking, Debit card, Disbursement, Electronic funds transfer, Federal payment, Treasury-sponsored account.

Words of Issuance

For the reasons set out in the preamble, we propose to revise 31 CFR part 208 to read as follows:

PART 208—MANAGEMENT OF FEDERAL AGENCY DISBURSEMENTS

Sec.

- 208.1 Scope and application.
- 208.2 Definitions.
- 208.3 Payment by electronic funds transfer.
- 208.4 Waivers.
- 208.5 Accounts for disbursement of Federal payments.
- 208.6 Availability of Treasury-sponsored accounts.
- 208.7 Agency responsibilities.
- 208.8 Recipient responsibilities.
- 208.9 Compliance.
- 208.10 Reservation of rights.
- 208.11 Accounts for disaster victims.

Authority: 5 U.S.C. 301; 12 U.S.C. 90, 265, 266, 1767, 1789a; 31 U.S.C. 321, 3122, 3301, 3302, 3303, 3321, 3325, 3327, 3328, 3332, 3335, 3336, 6503;

§ 208.1 Scope and application

This part applies to all Federal payments made by an agency. Except as specified in § 208.4, this part requires payments, other than payments made under the Internal Revenue Code of

1986, to be made by electronic funds transfer.

§ 208.2 Definitions.

The following definitions apply to this part:

Agency means any department, agency, or instrumentality of the United States Government, or a corporation owned or controlled by the Government of the United States.

Authorized payment agent means any individual or entity that is appointed or otherwise selected as a representative payee or fiduciary, under regulations of the Social Security Administration, the Department of Veterans Affairs, the Railroad Retirement Board, or other agency making Federal payments, to act on behalf of an individual entitled to a Federal payment.

Direct Express® card means the prepaid debit card issued to recipients of Federal benefits by a Financial Agent pursuant to requirements established by Treasury.

Disbursement means, in the context of payments delivered to Treasury-sponsored accounts, the performance of the following duties by a Financial Agent acting as agent of the United States:

- (1) The establishment of an account for the recipient that meets the requirements of the Federal Deposit Insurance Corporation or the National Credit Union Administration Board for deposit or share insurance;
- (2) The maintenance of such an account;
- (3) The receipt of Federal payments through the Automated Clearing House system or other electronic means and crediting of Federal payments to the account; and
- (4) The provision of recipient access to funds in the account on the terms specified by Treasury.

Electronic benefits transfer (EBT) means the provision of Federal benefit, wage, salary, and retirement payments electronically, through disbursement by a financial institution acting as a Financial Agent. For purposes of this part and Public Law 104–208, EBT includes, but is not limited to, disbursement through a Treasury-sponsored account or a Federal/State EBT program.

Electronic funds transfer means any transfer of funds, other than a transaction originated by cash, check, or similar paper instrument that is initiated through an electronic terminal, telephone, computer, or magnetic tape, for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account. The term includes, but is not limited to,

Automated Clearing House transfers, Fedwire transfers, and transfers made at automated teller machines and point-of-sale terminals. For purposes of this part only, the term electronic funds transfer includes a credit card transaction.

Federal payment means any payment made by an agency. The term includes, but is not limited to:

- (1) Federal wage, salary, and retirement payments;
- (2) Vendor and expense reimbursement payments;
- (3) Benefit payments;
- (4) Miscellaneous payments including, but not limited to: Interagency payments; grants; loans; fees; principal, interest, and other payments related to U.S. marketable and nonmarketable securities; overpayment reimbursements; and payments under Federal insurance or guarantee programs for loans; and
- (5) Payments under the Internal Revenue Code of 1986 (26 U.S.C.).

Federal/State EBT program means any program that provides access to Federal benefit, wage, salary, and retirement payments and to State-administered benefits through a single delivery system and in which Treasury designates a Financial Agent to disburse the Federal payments.

Federally-insured financial institution means any financial institution, the deposits of which are insured by the Federal Deposit Insurance Corporation under 12 U.S.C. Chapter 16 or, in the case of a credit union, the member accounts of which are insured by the National Credit Union Share Insurance Fund under 12 U.S.C. Chapter 14, Subchapter II.

Financial Agent means a financial institution that has been designated by Treasury as a Financial Agent for the provision of electronic funds transfer or EBT services under any provision of Federal law, including 12 U.S.C. 90, 265, 266, 1767, and 1789a, and 31 U.S.C. 3122 and 3303, as amended by the Omnibus Consolidated Appropriations Act, 1997, Section 664, Public Law 104–208.

Financial institution means:

- (1) Any insured bank as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) or any bank which is eligible to make application to become an insured bank under section 5 of such Act (12 U.S.C. 1815);
- (2) Any mutual savings bank as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) or any bank which is eligible to make application to become an insured bank under section 5 of such Act (12 U.S.C. 1815);

(3) Any savings bank as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) or any bank which is eligible to make application to become an insured bank under section 5 of such Act (12 U.S.C. 1815);

(4) Any insured credit union as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752) or any credit union which is eligible to make application to become an insured credit union under section 201 of such Act (12 U.S.C. 1781);

(5) Any savings association as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) which is an insured depository institution (as defined in such Act) (12 U.S.C. 1811 *et seq.*) or is eligible to apply to become an insured depository institution under the Federal Deposit Insurance Act (12 U.S.C. 1811 *et seq.*); and

(6) Any agency or branch of a foreign bank as defined in section 1(b) of the International Banking Act, as amended (12 U.S.C. 3101).

Individual means a natural person.

Recipient means an individual, corporation, or other public or private entity that is authorized to receive a Federal payment from an agency.

Secretary means Secretary of the Treasury.

Treasury means the United States Department of the Treasury.

Treasury-sponsored account means a Direct Express card account, a U.S. Debit Card account, or another account established pursuant to § 208.5 or § 208.11.

U.S. Debit Card means the prepaid debit card issued to recipients of certain Federal payments by a Financial Agent pursuant to requirements established by Treasury.

§ 208.3 Payment by electronic funds transfer.

Subject to § 208.4, and notwithstanding any other provision of law, all Federal payments made by an agency shall be made by electronic funds transfer. This requirement does not apply to payments under the Internal Revenue Code of 1986.

§ 208.4 Waivers.

(a) Payment by electronic funds transfer is not required in the following cases:

(1) Where an individual:

(i) Was born prior to May 1, 1921, and was receiving payment by check on March 1, 2013;

(ii) Receives a type of payment for which Treasury does not offer delivery to a Treasury-sponsored account. In such cases, those payments are not

required to be made by electronic funds transfer, unless and until such payments become eligible for deposit to a Treasury-sponsored account;

(iii) Is ineligible for a Treasury-sponsored account because of suspension or cancellation of the individual's Treasury-sponsored account by the Financial Agent;

(iv) Has filed a waiver request with Treasury certifying that payment by electronic funds transfer would impose a hardship because of the individual's inability to manage an account at a financial institution or a Treasury-sponsored account due to a mental impairment, and Treasury has not rejected the request; or

(v) Has filed a waiver request with Treasury certifying that payment by electronic funds transfer would impose a hardship because of the individual's inability to manage an account at a financial institution or a Treasury-sponsored account due to the individual living in a remote geographic location lacking the infrastructure to support electronic financial transactions, and Treasury has not rejected the request;

(2) Where the political, financial, or communications infrastructure in a foreign country does not support payment by electronic funds transfer;

(3) Where the payment is to a recipient within an area designated by the President or an authorized agency administrator as a disaster area. This waiver is limited to payments made within 120 days after the disaster is declared;

(4) Where either:

(i) A military operation is designated by the Secretary of Defense in which uniformed services undertake military actions against an enemy; or

(ii) A call or order to, or retention on, active duty of members of the uniformed services is made during a war or national emergency declared by the President or Congress;

(5) Where a threat may be posed to national security, the life or physical safety of any individual may be endangered, or a law enforcement action may be compromised;

(6) Where the agency does not expect to make payments to the same recipient within a one-year period on a regular, recurring basis and remittance data explaining the purpose of the payment is not readily available from the recipient's financial institution receiving the payment by electronic funds transfer; and

(7) Where an agency's need for goods and services is of such unusual and compelling urgency that the Government would be seriously injured unless payment is made by a method

other than electronic funds transfer; or, where there is only one source for goods or services and the Government would be seriously injured unless payment is made by a method other than electronic funds transfer.

(b) An individual who requests a waiver under paragraphs (a)(1)(iv) and (v) of this section shall provide, in writing, to Treasury a certification supporting that request, in such form that Treasury may prescribe. The individual shall attest to the certification before a notary public, or otherwise file the certification in such form that Treasury may prescribe.

§ 208.5 Accounts for disbursement of Federal payments.

Treasury may designate a Financial Agent to establish and administer Treasury-sponsored accounts for individuals for the disbursement of Federal payments, including benefit, retirement, salary, miscellaneous, vendor, expense reimbursement and tax payments. Such accounts may be established upon terms and conditions that the Secretary considers appropriate or necessary and shall be made available at a reasonable cost and with the same consumer protections provided to other account holders at the financial institution. Treasury may deliver payments to such accounts and the maintenance of accounts and the provision of account-related services under this section shall constitute reasonable duties of a Financial Agent of the United States.

§ 208.6 Availability of Treasury-sponsored accounts.

An individual who receives a Federal payment shall be eligible to open a Treasury-sponsored account under terms and conditions established by Treasury.

§ 208.7 Agency responsibilities.

An agency shall put into place procedures that allow recipients to provide the information necessary for the delivery of payments to the recipient by electronic funds transfer to an account at the recipient's financial institution or to a Treasury-sponsored account.

§ 208.8 Recipient responsibilities.

Each recipient who is required to receive payment by electronic funds transfer shall provide the information necessary to effect payment by electronic funds transfer. For recipients who do not designate a bank account for the receipt of payments, Treasury may disburse payments to a Treasury-sponsored account or to an account to

which the recipient is receiving other Federal payments.

§ 208.9 Compliance.

(a) Treasury will monitor agencies' compliance with this part. Treasury may require agencies to provide information about their progress in converting payments to electronic funds transfer.

(b) If an agency fails to make payment by electronic funds transfer, as prescribed under this part, Treasury may assess a charge to the agency pursuant to 31 U.S.C. 3335.

§ 208.10 Reservation of rights.

The Secretary reserves the right, in the Secretary's discretion, to waive any provision(s) of this part in any case or class of cases.

§ 208.11 Accounts for disaster victims.

Treasury may establish and administer accounts at any financial institution designated as a Financial Agent for disaster victims in order to allow for the delivery by electronic funds transfer of one or more Federal payments. Such accounts may be established upon terms and conditions that the Secretary considers appropriate or necessary in light of the circumstances. Treasury may deliver payments to these accounts notwithstanding any other payment instructions from the recipient and without regard to the requirements of §§ 208.4 and 208.7 and § 210.5 of this chapter. For purposes of this section, "disaster victim" means an individual or entity located within an emergency area, or an individual or entity that has

relocated or been displaced from an emergency area as a result of a major disaster or emergency. "Emergency area" means a geographical area in which there exists an emergency or disaster declared by the President pursuant to the National Emergencies Act (50 U.S.C. 1601 *et seq.*) or the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 *et seq.*). The maintenance of accounts and the provision of account-related services under this section shall constitute reasonable duties of a Financial Agent of the United States.

David A. Lebryk,

Fiscal Assistant Secretary.

[FR Doc. 2019-21825 Filed 10-15-19; 8:45 am]

BILLING CODE 4810-AS-P

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

Animal and Plant Health Inspection Service

[Docket No. APHIS–2018–0011]

Notice of Determination; Changes to the Chronic Wasting Disease Herd Certification Program Standards

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Notice.

SUMMARY: We are updating the Chronic Wasting Disease (CWD) Herd Certification Program Standards. In a previous notice, we made available to the public for review and comment proposed changes to the CWD Program Standards to provide guidance on how to meet CWD Herd Certification Program and interstate movement requirements.

DATES: The updated program standards became available on May 20, 2019.

FOR FURTHER INFORMATION CONTACT: Dr. Tracy Nichols, Staff Officer, Cervid Health Team, Surveillance, Preparedness, and Response Services, VS, APHIS, USDA, 2150 Centre Avenue, Bldg. B, Fort Collins, CO 80526; (970) 494-7380.

SUPPLEMENTARY INFORMATION: Chronic wasting disease (CWD) is a transmissible spongiform encephalopathy of cervids (members of *Cervidae*, the deer family). Species currently known to be susceptible to CWD include elk, mule deer, moose, white-tailed deer, sika deer, muntjac, reindeer, and black-tailed deer.

In 2014, the Animal and Plant Health Inspection Service (APHIS) implemented the National CWD Herd Certification Program (HCP), a voluntary Federal-State-industry cooperative program administered by APHIS and implemented by participating States. Currently, 28 States participate in the program. States and herd owners

choosing to participate must comply with the provisions of 9 CFR parts 55 and 81 (referred to below as the regulations), which include requirements for animal identification, interstate movement, fencing, recordkeeping, herd inspections and inventories, animal mortality testing, and response to any findings of CWD-exposed, -suspect, or -positive herds. APHIS monitors the approved State HCPs to ensure consistency with Federal standards by means of annual State reporting. With each year of successful surveillance, participating herds will advance in status. After 5 years with no evidence of CWD, APHIS will certify the herd for CWD. Only captive cervids from certified herds for CWD may move interstate.

On March 29, 2018, we published in the **Federal Register** (83 FR 13469–13470, Docket No. APHIS–2018–0011) a notice of availability of a revised version of the CWD Herd Certification Program Standards. These standards provide guidance on how to meet the program and interstate movement requirements referenced above. The proposed revisions addressed concerns of State and industry participants about the existing standards.

We solicited comments on the CWD Herd Certification Program Standards for 30 days ending on April 30, 2018. We extended the deadline for comments until May 30, 2018, in a document published in the **Federal Register** on April 26, 2018 (83 FR 18264, Docket No. APHIS–2018–0011).¹ We received 334 comments by that date. They were from producers, industry groups, representatives of State governments, and private citizens. We received a number of comments on the content of the regulations themselves and not on the specifics of the revised CWD Program Standards. As the notice only served to alert the public of the availability of that document for review and comment, any comments focusing on the regulations themselves are outside the scope of the request for comment and will not be addressed. The remaining comments provided valuable insight into stakeholder concerns and priorities.

¹To view the notice, the CWD Herd Certification Standards, and the comments we received, go to <http://www.regulations.gov/#/docketDetail;D=APHIS-2018-0011>.

After reviewing the comments, where practicable and within the bounds of our authority, we made changes to the CWD Program Standards in order to address commenter concerns while maintaining program integrity. The revisions cover a variety of topics including: Adding guidelines for live animal testing in specific situations; clarifying how disease investigations should be handled; aligning with the regulatory requirement for mortality testing; simplifying fencing requirements; adding biosecurity recommendations; and describing the Agency's intended approach to update the CWD-susceptible species list. We also outline factors for determining indemnity and include a table with possible reductions in herd certification status that States may consider for herd owners that do not submit required mortality surveillance samples or consistently submit unusable testing samples.

The revised CWD Program Standards are in effect and may be found on the internet at https://www.aphis.usda.gov/aphis/newsroom/stakeholder-info/sa_by_date/2019/sa-05/cwd-standards.

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), the Office of Information and Regulatory Affairs designated this action as a non-major rule, as defined by 5 U.S.C. 804(2).

Done in Washington, DC, this 9th day of October 2019.

Kevin Shea,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 2019–22453 Filed 10–15–19; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

Inviting Applications for Agriculture Innovation Demonstration Center Grants

AGENCY: Rural Business-Cooperative Service, USDA.

ACTION: Notice.

SUMMARY: This Notice announces that the Rural Business-Cooperative Service (Agency) is accepting fiscal year (FY) 2019 applications for the Agriculture Innovation Demonstration Center (AIC) program. In FY 2019, the program has \$3,500,000 available for funding. If

additional funds are appropriated during fiscal year 2020 prior to the selection of awards, funding amounts will be posted on the Agency website and we will utilize those additional FY 2020 funds to make awards under this Notice.

The purpose of this program is to establish and operate Agriculture Innovation Centers (Centers) that provide technical and business development assistance to agricultural producers seeking to engage in the marketing or the production of Value-Added products. Eligible applicants include nonprofit and for-profit corporations, public bodies, and institutions of higher education. This program supports Rural Development's (RD) mission of improving the quality of life for rural Americans and commitment to directing resources to those who most need them.

DATES: Completed applications for grants must be submitted electronically by no later than midnight Eastern Time, March 20, 2020, through *Grants.gov*. Late applications are not eligible for funding under this Notice and will not be evaluated.

FOR FURTHER INFORMATION CONTACT: Gail Thuner, Grants Division, Cooperative Programs, Rural Business-Cooperative Service, United States Department of Agriculture, 1400 Independence Avenue SW, MS 3253, Room 4208-South, Washington, DC 20250-3250, or call 202-690-1374, or email cpgrants@wdc.usda.gov.

SUPPLEMENTARY INFORMATION:

Preface

The Agency encourages applications that will support recommendations made in the Rural Prosperity Task Force report to help improve life in rural America. For more information, see www.usda.gov/ruralprosperity.

Applicants are encouraged to consider projects that provide measurable results in helping rural communities build robust and sustainable economies through strategic investments in infrastructure, partnerships and innovation. Key strategies include:

- Achieving e-Connectivity for Rural America
- Developing the Rural Economy
- Harnessing Technical Innovation
- Supporting a Rural Workforce
- Improving Quality of Life

Overview

Federal Agency Name: USDA Rural Business-Cooperative Service.

Funding Opportunity Title: Agriculture Innovation Demonstration Center.

Announcement Type: Initial Notice.
Catalog of Federal Domestic Assistance Number: 10.377.

Dates: Application Deadline. Your application must be received by <http://www.grants.gov> no later than midnight Eastern Time, March 20, 2020, or it will not be considered for funding.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act, the paperwork burden associated with this Notice has been approved by the Office of Management and Budget (OMB) under OMB Control Number 0570-0045.

A. Program Description

The AIC program is authorized by section 7608 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1632b) and is implemented by 7 CFR 4284 subparts A and K which are incorporated by reference into this Notice. The primary objective of the AIC program is to provide technical assistance to agricultural producers to market value-added agricultural products through Centers. Grants are available to public bodies, institutions of higher education, nonprofit corporations, and for-profit corporations. It is expected that recipients will establish and operate independently-governed Centers whose boards of directors meet the representation requirements described in Section D.2(j) of this Notice.

Definitions

The terms you need to understand are defined and published at 7 CFR 4284.3 and 7 CFR 4284.1004. The term "you" referenced throughout this Notice should be understood to mean "you" the applicant. Finally, as required by 2 CFR 200.112, we have defined our Conflict of Interest policy as follows.

Conflict of Interest—A situation in which a person or entity has competing personal, professional, or financial interests that make it difficult for the person or business to act impartially. Federal procurement standards prohibit transactions that involve a real or apparent conflict of interest for owners, employees, officers, agents, or their immediate family members having a financial or other interest in the outcome of the project; or that restrict open and free competition for unrestrained trade. Specifically, neither grant nor matching funds may be used for services or goods going to, or coming from, a person or entity with a real or apparent conflict of interest, including, but not limited to, owner(s) and their immediate family members. Examples of conflicts of interest include using

grant or matching funds to pay a member of the applicant's board of directors to provide Producer Services and using grant or matching funds to pay an immediate family member of the applicant to provide Producer Services.

B. Federal Award Information

Type of Award: Competitive Grant.
Fiscal Year Funds: FY 2019.
Total Funding: \$3,500,000.
Minimum Award: \$500,000.
Maximum Award: \$1,000,000.
Project Period: 2 years.
Anticipated Award Date: September 15, 2020.

C. Eligibility Information

You must meet all of the following eligibility requirements. Applicants and/or applications which fail to meet any of these requirements by the application deadline will not be evaluated further or considered for funding.

1. *Eligible Applicants.* Grants may be made to public bodies (including local governments, State governments, and Federally-Recognized Tribes), institutions of higher education, nonprofit corporations, and for-profit corporations.

(a) An applicant is ineligible if they have been debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension." In addition, an applicant will be considered ineligible for a grant due to an outstanding judgment obtained by the U.S. in a Federal Court (other than U.S. Tax Court), is delinquent on the payment of Federal income taxes, or is delinquent on Federal debt. The applicant must certify as part of the application that they do not have an outstanding judgment against them. The Agency will check the Do Not Pay system to verify the certification. (See also Section D.2.f of this Notice.)

(b) Any corporation (i) that has been convicted of a felony criminal violation under any Federal law within the past 24 months or (ii) that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, is not eligible for financial assistance provided with funds appropriated by the Consolidated Appropriations Act, 2019 (Pub. L. 116-6), unless a Federal agency has considered suspension or debarment of the corporation and has made a

determination that this further action is not necessary to protect the interests of the Government. (See also Section D.2.e of this Notice.)

2. *Cost Sharing or Matching.* Matching funds are required for at least one-third of the total project budget. For example, if the total project budget is \$300,000, matching funds must be at least \$100,000. Matching funds may be provided in cash by the applicant or a third party or in-kind by a third party. They must be available for use during the period of performance, and they must be used for allowable expenses. (See also Section D.2.j of this Notice.)

3. *Other Eligibility Requirements.*

Independent Governance: The Center must be independently governed, although it does not have to be a separate legal entity from the applicant organization. If the applicant is a parent organization or institution of higher education, you must demonstrate that there is a separate Board of Directors for the Center and that the Center has independent governance. We consider the Center to have independent governance if it has control over personnel decisions, including hiring and firing employees and contractors; setting policies and procedures, including personnel and procurement; developing and approving its budget; and selecting its own Board of Directors, which shall not include any members who are affiliated with the parent organization. (See also Section D.2.k of this Notice.)

Qualified Board of Directors: The Board of Directors for the Center must include, but is not limited to, representatives from each of the following groups: (1) Two general agricultural organizations with the greatest number of members in the State in which the Center is located, (2) the department of agriculture, or similar State department or agency or a State legislator, of the State in which the Center is located, and (3) four entities representing different commodities produced in the State in which the Center is located. Note that no representative may represent more than one group or organization. Board of Director members must not have any Conflicts of Interest. (See also Section D.2.l of this Notice.)

Existing Capability to Provide Services: You must be able to demonstrate that you have previously provided services similar to the Producer Services defined in 7 CFR 4284.1004 or that you have the capability to provide those services. In order to be considered qualified, you must either demonstrate at least three years of experience providing the same

type of Producer Services as those proposed in the application and show a record of at least three positive outcomes or you must demonstrate that you currently have key personnel assigned to the project who have the same level of experience and positive outcomes, even if they have not worked for you for at least three years. (See also Section D.2.m of this Notice.)

Support of Agricultural Community: You must demonstrate that at least three relevant agricultural organizations support your project. We will consider the support to be relevant if the supporting organization is based in the State or region in which the project will take place and if the organization serves the same group of producers (either directly or through commodity/marketing efforts) targeted by the proposed project. (See also Section D.2.n of this Notice.)

Improving Value-Added Markets: Your project must focus on increasing and improving the ability of local agricultural producers to develop markets and processes for Value-Added agricultural commodities or products. (See also D.2.s of this Notice.)

Use of Funds: You must propose to engage in one or more of the following activities during the project period:

- Consulting services for legal, accounting, and technical services to be used by the recipient for the purpose of establishing and operating the Center;
- Hiring employees for the purpose of establishing and operating the Center;
- Making grants to agricultural producers, individually not to exceed \$5,000, where the aggregate amount of all such grants does not exceed \$50,000. Note that these grants are considered subawards and all Federal requirements that apply to awards made under this Notice also apply to these subawards, including the Matching Funds requirement.
- Producer Services (as defined at 7 CFR 4284.1004);
- Applied research; and
- Legal services.

For information on selected items that are not allowable for funding under this Notice, please review section D (6) of this Notice, "Funding Restrictions."

Period of Performance. The proposed period of performance must be two years or less or the application will not be considered for funding. Note that in the future, any recipients that have already received funding through this program will be limited to one-year project periods while new recipients will be allowed up to two years. This difference in time is to allow new recipients additional time for start-up activities. The proposed start date must

be no earlier than three months after the expected award date and no later than six months after the expected award date. Extensions may be approved on a case-by-case basis at our discretion if circumstances beyond the recipient's control cause a significant delay in the performance of the award. However, in no case, will we approve a period of performance (including any extension period) for longer than two years.

Satisfactory Performance. We will check the Federal Awardee Performance and Integrity Information System as well as the Do Not Pay system prior to awarding funds. If you have deficiencies identified in either system, we may either discontinue processing your application if the deficiencies are significant or indicate a lack of capability to accomplish the proposed project or we may impose special conditions to address the deficiencies. Special conditions may include, but are not limited to, more frequent reporting, more detailed reporting, and the addition of benchmarks or checkpoints to assess progress.

Financial Capability. We will assess the last three years of your financial statements and your most recent audit to confirm that you possess sufficient financial capabilities for the proposed project. In particular, you must have a current ratio of at least 1:1 and the ability to provide sufficient cash flow to cover at least three months of total project costs to account for the lag between when expenses are incurred, and award funds are disbursed. If you do not meet these requirements, you are not eligible for funding. We will also evaluate your operating expense ratio and the sustainability of your revenue sources, and if we determine that your financial capability would preclude you from properly managing Federal funds, your organization will not be eligible for an award. We may also identify any concerns that might require special conditions if an award is made. (See also Section D.2.h.)

Application Completeness: Your application must provide all the information requested in Section D.2 of this Notice. Applications lacking sufficient information to determine eligibility and scoring will not be considered for funding.

No Duplication of Current Services. Your application must demonstrate that you are providing services to new customers or new services to current customers. (See also Section D.2.s of this Notice.)

Number of Applications. You may only submit one application in response to this Notice.

Collaboration, Contracts, and Subawards. While we support collaboration between and among Centers, you must limit any contracts or subawards with other Centers to 10% or less of project costs. We consider collaboration to occur when two or more Centers work jointly on an activity, but each Center controls its own budget for its involvement. Any collaboration with other Centers must be identified in the proposed Work Plan.

D. Application and Submission Information

1. Address To Request Application Package

The application template for applying for this funding opportunity is located at <https://www.rd.usda.gov/programs-services/agriculture-innovation-center-program>. Use of the application template is strongly recommended to assist you with the application process.

2. Content and Form of Application Submission

Your application must be submitted electronically through *Grants.gov*. Your application must contain all required information. You must follow the instructions for this funding announcement at <http://www.grants.gov>. Note that we cannot accept applications through mail or courier delivery, in-person delivery, email, or fax.

You can locate the *Grants.gov* downloadable application package for this program by using a keyword, the program name, or the Catalog of Federal Domestic Assistance Number for this program.

When you enter the *Grants.gov* website, you will find information about applying electronically through the site, as well as the hours of operation. We have included additional information about how to register and use the *Grants.gov* website in our Application Guide.

To use *Grants.gov*, you must already have a DUNS number and you must also be registered and maintain registration in SAM. We strongly recommend that you do not wait until the application deadline date to begin the application process through *Grants.gov* because it can take up to four weeks to complete the registration process.

You must submit all application documents electronically through *Grants.gov*. Applications must include electronic signatures. Original signatures may be required if funds are awarded.

After applying electronically through *Grants.gov*, you will receive an

automatic acknowledgement from *Grants.gov* that contains a *Grants.gov* tracking number.

Your application must contain the following required forms and other components:

(a) Standard Form SF-424, "Application for Federal Assistance," to include your DUNS number and SAM Commercial and Government Entity (CAGE) code and expiration date. If you do not include your DUNS number and your CAGE code or your DUNS number or CAGE code is inactive or expired, we will not consider your application for funding.

(b) Form SF-424A, "Budget Information-Non-Construction Programs." This form must be completed and submitted as part of the application package.

(c) Form SF-424B, "Assurances—Non-Construction Programs." This form must be completed, signed, and submitted as part of the application package.

(d) Form AD-3030, "Representations Regarding Felony Conviction and Tax Delinquent Status for Corporate Applicants," if you are a corporation. A corporation is any entity that has filed articles of incorporation in one of the 50 States, the District of Columbia, the Federated States of Micronesia, the Republic of Palau, and the Republic of the Marshall Islands, or the various territories of the United States including American Samoa, Guam, Midway Islands, the Commonwealth of the Northern Mariana Islands, Puerto Rico, or the U.S. Virgin Islands. Corporations include both for profit and non-profit entities. Institutions of higher education are not required to submit this form.

(e) You must certify that there are no current outstanding Federal judgments against your property and that you will not use grant funds to pay for any judgment obtained by the United States. You must also certify that you are not delinquent on the payment of Federal income taxes, or any Federal debt. To satisfy the Certification requirement, you must include this statement in your application: "[INSERT NAME OF APPLICANT] certifies that the United States has not obtained an unsatisfied judgment against its property, is not delinquent on the payment of Federal income taxes, or any Federal debt, and will not use grant funds to pay any judgments obtained by the United States." A separate signature is not required.

(f) Certification on Lobbying. Your authorized representative must sign a certification which contains the entire statement from 2 CFR part 418, Appendix A.

(g) Financial Capability. You must include the last three years of your financial statements (balance sheets, income statements, and cash flow statements) and your most recent audit (including the Letter to the Managers).

(h) Applicant Eligibility. You must verify your legal status and demonstrate your eligibility for the program.

- Public bodies must provide information regarding their authorization.

- Non-profit and for-profit corporations must submit the State's Certificate of Good Standing and your Articles of Incorporation. You may also submit your Bylaws if they provide additional information not included in your Articles of Incorporation that will help verify your legal status.

- Institutions of Higher Education must demonstrate that you qualify as an Institution of Higher Education as defined at 20 U.S.C. 1001.

(i) Verification of Matching Funds. Matching funds must be provided for at least one-third of the total project cost. For example, if your total project cost is \$300,000, you must provide at least \$100,000 in matching funds. Matching funds can be provided in cash by the applicant organization or a third-party. They can also be provided in-kind by a third-party organization. You must verify the amount of funds to be contributed, the source of the funds, the availability of the funds, and the purpose for which the funds will be used. All verification must be done on an organization's letterhead and be signed by the organization's authorized representative.

(j) Governance Structure of the Center. The Center does not need to be an independent legal entity; however, it must be independently governed. You must provide an explanation of how the governance of the Center works (or will work if it hasn't been established at the time of application). In particular, you must address how the Center carries out personnel decisions, including hiring and firing employees and contractors; sets its policies and procedures, including personnel and procurement; develops and approves its budget; and selects its own Board of Directors.

(k) Board of Directors. You must provide the following information:

For the representatives from the two organizations with the greatest number of members in your State, you must identify the representatives, the organization, its purpose, and the number of members it has in your State. The purpose must focus on agriculture in general; it cannot be restricted to a specific group, commodity, or sector. The membership of the organization

does not need to be restricted to your State. You must also explain how you determined that it had the most (or second most) members. Acceptable sources for this information can include the state Department of Agriculture, or its equivalent, or a third-party, reliable source, such as a trade journal or university agriculture department.

For the representative from the State department of agriculture (or equivalent) or State legislator, you must identify the representative and include the person's title and job responsibility if from the Department of Agriculture or identify the district the State legislator represents.

For representatives from entities representing four commodities, you must identify each representative and the entity they represent. You must use data from State Department of Agriculture, or its equivalent, to demonstrate that the commodities are produced in your state and provide a copy of the information used.

You must also submit a signed statement from each representative stating that they either are currently on the Center's Board of Directors or that they commit to being on the Center's Board of Directors during the proposed period of performance.

If your application is selected for funding, we will confirm the Board of Directors still meets the requirements. If at any time, the Center's Board of Directors does not meet the requirements during the period of performance, the award will either be suspended until the requirements can be met or it will be terminated if the requirements can no longer be met.

(l) Existing Capability to Provide Services. The applicant organization must be able to demonstrate that it has previously provided services similar to the Producer Services defined in 7 CFR 4284.1004 or that it has the capability to provide those services. In order to be considered qualified, the applicant organization must either demonstrate at least three years of experience providing the same type of Producer Services as those proposed in the application and show a record of at least three positive outcomes or the applicant organization must demonstrate that it currently has key personnel assigned to the project who have the same level of experience and positive outcomes, even if they have not worked for the organization for at least three years. You must explain your role or your key personnel's role in the project and identify the organization that you worked with. Note that examples of positive outcomes include assisting a business with incorporation and assisting a business with expanding

its operation in terms of additional staff or additional products marketed. It can also mean working with an organization and determining that going forward with a proposed project is not feasible.

To demonstrate previously providing services, you must include a chart or narrative that describes the services provided during the last three years. The description must include the specific type of service provided, how many times it has been provided, and the outcomes of the services provided (preferably with quantitative measurements). To demonstrate current capability when the applicant has not previously provided Producer Services, the applicant must provide a narrative that describes the key personnel's experience with providing Producer Services. The narrative must include a description of the services provided, how many times it has been provided, and the outcomes of the services provided (preferably with quantitative measurements). We will assess the capability of each applicant organization based only on what is submitted with the application.

(m) Support of the Agricultural Community. You must include at least three letters of support from agricultural organizations, other than the applicant organization, that are relevant to the project. Evidence of support includes contributions of cash or in-kind matching funds. Other examples of support include referring clients and intent to collaborate. We will consider the support to be relevant if the organization is based in the State or region in which the project will take place and if the organization serves the same group of producers (either directly or through commodity/marketing efforts) targeted by the proposed project.

(n) Title Page. Your application must contain a Title Page. It is recommended that your Title Page include a short title for your proposed project as well as contact information or other application identifying information.

(o) Table of Contents. Your application must contain a detailed Table of Contents (TOC). The TOC must include page numbers for each part of the application, including each evaluation criterion. Page numbers should begin immediately following the TOC.

(p) Executive Summary. A summary of the proposal, not to exceed one page, must briefly describe the Project, tasks to be completed, and other relevant information that provides a general overview of the Project.

(q) Goals of the Project. You must include a listing of each Producer Service to be offered during the project.

You must also identify one or more specific goals relating to increasing and improving the ability of identified local agricultural producers to develop a market or process for Value-Added agricultural commodities or products.

(r) Work Plan. You must include a description of your proposed work for the project, including how your project focuses on increasing and improving the ability of local agricultural producers to develop markets and processes for Value-Added agricultural commodities or products. This description must include the actions that will be taken in order for the Producer Services to be available from the Center. Each action should include a target date for completion. General start-up tasks should be listed, followed by specific tasks listed for each Producer Service to be offered. Tasks associated with the start-up of the Center should include a focused marketing and delivery plan directed at the local agricultural producers that were identified in the Goals section of your application. The actions to be taken should include steps for identifying customers, hiring key personnel (if not already hired), contracting for services for the Center, and making arrangements for strategic alliances. Each defined task needs to have a description, assigned key personnel, and an expected time frame for accomplishment. You must also clearly demonstrate how your project will provide services to new customers or provide new services to existing customers.

(s) Budget Justification. You must provide additional information regarding the budget you submit on the SF-424A, including your matching funds. This additional information should describe each category of expense and what specific costs are included in each category as well as how your Matching Funds will be used. For example, the Salaries justification should include the names of each staff member (not just key personnel) who will be paid and how much they will be paid. The Fringe Benefits category should include a description of how fringe benefits are calculated and what is included. The Contracts category should identify the contractors by name (if known) as well as the amounts expected for each contract and the purpose of each contract. The Other category should include the expected expenses (e.g. supplies) that will be included. The Travel category should identify specific trips that will be taken, who will be traveling, and the reason for the travel. Additionally, if there are any unusual expenses, you should describe

them and why they are appropriate for the award.

(t) Scoring Criteria. Each of the scoring criteria in this Notice must be addressed in narrative form, with a maximum of three pages for each individual scoring criterion, unless otherwise specified. Failure to address each scoring criteria will result in the application being determined ineligible.

(u) Strategic Coordination and Alliances. Describe arrangements in place or planned with end users (for example, processing and distribution companies and regional grocers) as well as with entities that have technical research capabilities, broad support from the agricultural community in the State or region, significant coordination with end users, strategic alliances with entities having technical research capabilities and a focused delivery plan for reaching out to the producer community.

3. DUNS Number and SAM

To be eligible, you are required to:

(a) Provide a valid DUNS number in your application, which can be obtained at no cost via a toll-free request line at (866) 705-5711 or at <http://fedgov.dnb.com/webform>;

(b) Register in SAM before submitting your application. You may register in SAM at no cost at <https://www.sam.gov/SAM/>. You must provide your SAM CAGE Code and expiration date; and

(c) Continue to maintain an active SAM registration with current information at all times during which you have an active Federal award or an application or plan under consideration by a Federal awarding agency.

If you have not fully complied with all applicable DUNS and SAM requirements, the Agency may determine that the applicant is not qualified to receive a Federal award and the Agency may use that determination as a basis for making an award to another applicant. Please refer to Section F. 2 for additional submission requirements that apply to grantees selected for this program.

4. Submission Dates and Times

Application Deadline Date: March 20, 2020.

Explanation of Deadlines:

Applications must be RECEIVED by <http://www.grants.gov> by midnight Eastern Time March 20, 2020, to be eligible for funding. Please review the *Grants.gov* website at http://grants.gov/applicants/organization_registration.jsp for instructions on the process of registering your organization as soon as possible to ensure you can meet the electronic application deadline.

Grants.gov will not accept applications submitted after the deadline.

5. Intergovernmental Review

Executive Order (E.O.) 12372, "Intergovernmental Review of Federal Programs," applies to this program. This E.O. requires that Federal agencies provide opportunities for consultation on proposed assistance with State and local governments. Many States have established a Single Point of Contact (SPOC) to facilitate this consultation. For a list of States that maintain a SPOC, please see the White House website: <https://www.whitehouse.gov/wp-content/uploads/2017/11/SPOC-Feb.-2018.pdf>. If your State has a SPOC, you may submit a copy of the application directly for review. Any comments obtained through the SPOC must be provided to us for consideration as part of your application. If your State has not established a SPOC, or if you do not want to submit a copy of the application, we will submit your application to the SPOC or other appropriate agency or agencies.

6. Funding Restrictions

Grant funds must be used for Technical Assistance. No funds made available under this solicitation shall be used to:

(a) Plan, repair, rehabilitate, acquire, or construct a building or facility, including a processing facility;

(b) Purchase, rent, or install fixed equipment, including processing equipment;

(c) Purchase vehicles, including boats;

(d) Pay for the preparation of the grant application;

(e) Pay expenses not directly related to the funded Project;

(f) Fund political or lobbying activities;

(g) Fund any activities considered unallowable by the applicable grant cost principles, including 2 CFR part 200, subpart E and the Federal Acquisition Regulation;

(h) Fund architectural work for a specific physical facility;

(i) Fund any direct expenses for the production of any commodity or product to which value will be added, including seed, rootstock, labor for harvesting the crop, and delivery of the commodity to a processing facility;

(j) Purchase land;

(k) Duplicate current activities or activities paid for by another Federal grant program;

(l) Pay costs of the Project incurred prior to the date of award approval;

(m) Pay for assistance to any private business enterprise that does not have at least 51 percent ownership by those

who are either citizens of the United States or reside in the United States after being legally admitted for permanent residence;

(n) Pay any judgment or debt owed to the United States; or

(o) Pay for any goods or services from a person who has a Conflict of Interest with the recipient.

In addition, your application will not be considered for funding if it does any of the following:

- Requests more than the maximum grant amount;

- Focuses assistance on only one agriculture producer; or

- Proposes ineligible costs that equal more than 10 percent of total grant funds requested.

We will consider your application for funding if it includes ineligible costs of 10 percent or less of total grant funds requested, if it is determined eligible otherwise. However, if your application is successful, those ineligible costs must be removed and replaced with eligible costs before the Agency will make the grant award or the amount of the grant award will be reduced accordingly. If we cannot determine the percentage of ineligible costs, your application will not be considered for funding.

7. Other Submission Requirements

(a) National Environmental Policy Act. This Notice has been reviewed in accordance with 7 CFR part 1970, "Environmental Policies and Procedures." We have determined that an Environmental Impact Statement is not required because the issuance of regulations and instructions, as well as amendments to them, describing administrative and financial procedures for processing, approving, and implementing the Agency's financial programs is categorically excluded in the Agency's National Environmental Policy Act (NEPA) regulation found at 7 CFR 1970.53(f). We have determined that this Notice does not constitute a major Federal action significantly affecting the quality of the human environment.

The Agency will review each grant application to determine its compliance with 7 CFR part 1970. The applicant may be asked to provide additional information or documentation to assist the Agency with this determination.

(b) Civil Rights Compliance Requirements. All grants made under this Notice are subject to Title VI of the Civil Rights Act of 1964 as required by the USDA (7 CFR part 15, subpart A) and Section 504 of the Rehabilitation Act of 1973.

E. Application Review Information

We will review applications to determine if they are eligible for assistance based on requirements in this Notice, and other applicable Federal laws and regulations. If we determine that your application is eligible for assistance, your application will be scored by a panel of USDA employees based on the Scoring Criteria specified in this Notice. The highest scoring application will be funded up to the maximum amount available. Additional applications that cannot be fully funded may be offered partial funding at the Agency's discretion.

1. Scoring Criteria

All eligible and complete applications will be evaluated based on the following criteria. Evaluators will base scores only on the information provided in the application. This is a competitive program, so you will receive scores based on the quality of the information provided. Simply addressing the criteria will not guarantee higher scores. The total points possible for the criteria are 80.

(a) Ability to Deliver (maximum score of 15 points). The application will be evaluated as to whether it evidences unique abilities to deliver Producer Services so as to create sustainable Value-Added ventures. Abilities that are transferable to a wide range of agricultural Value-Added commodities are preferred over highly specialized skills. Strong skills must be accompanied by a credible and thoughtful plan.

Points will be awarded as follows:

(i) 0 points will be awarded if you do not substantively address the criterion.

(ii) 1–4 points will be awarded for unique abilities, that is, abilities that are not available through other organizations in the Center's service area.

(iii) 1–4 points will be awarded for the expected sustainability of the Value-Added ventures supported by the project. For example, applications that propose to work with ventures where the expected sustainability has been assessed will receive more points than applications that do not address expected sustainability. By sustainability, we mean that the venture assisted will generate wealth (e.g. if the project adds retained earnings to the balance sheet, not just an increase in cash flow).

(iv) 1–4 points will be awarded for the transferability of the abilities identified. Abilities that are transferable to a wide range of commodities will receive more points.

(v) 1–3 points will be awarded for plans to accomplish work that are thoughtful and seem reasonable. For example, do the services the Center will provide match the stated goals (from Section D.2.q). Are the results measurable and attainable within the proposed project period?

(b) Successful Track Record (maximum score of 15 points). The applicant organization's track record in achieving Value-Added successes will be evaluated.

Points will be awarded as follows:

(i) 0 points will be awarded if you do not substantively address the criterion.

(ii) 1–3 points will be awarded if the applicant has more than three years of experience in accomplishing Value-Added successes. More points will be given for more years of experience, based on the distribution of what all eligible applicants submit. No credit will be given for activities that did not directly result in a Value-Added success. Note that we consider a success to include working with an organization and providing coaching to indicate that the proposed venture is not feasible.

(iii) 1–4 points will be awarded based on the number of Value-Added successes. More points will be given for higher numbers, based on the distribution of what eligible applicants submit.

(iv) 1–4 points will be awarded based on the significance of Value-Added successes. More points will be given for more significant successes, based on the distribution of what eligible applicants submit.

(v) 1–4 points will be awarded based on the complexity of the role that the applicant organization played in the Value-Added successes.

(c) Work Plan/Budget (maximum of 15 points). We will review the work plan for detailed actions and an accompanying timetable for implementing the proposed work. We will review budgets for completeness and the strength of non-Federal funding commitments. Note that there is no additional information required for this criterion. We will use the Work Plan and Budget Justification for our evaluation.

Points will be awarded as follows:

(i) 0 points will be awarded if you do not substantively address this criterion.

(ii) 1–6 points will be awarded for work plans that describe each task, including objectives and potential outcomes, and how that task connects to the goal of the project. More points will be awarded for work plans that completely describe tasks and show measurable outcomes as well as for work plans that show a cohesive plan

for the achievement of the goal(s) of the project.

(iii) 1–3 points will be awarded for work plans that show a reasonable and differentiated timetable for the proposed tasks. For example, a work plan that shows a schedule for how a Center will begin operation, then market its services, and then provide its services would be awarded more points than a work plan that simply states all Producer Services will be offered for 12 months. We will also consider how you will identify customers. Applications with a specific description of customer identification will receive more points.

(iv) 1–3 points will be awarded for the budget justification. More points will be awarded for justifications that completely describe all categories of cost, including indirect costs. We consider that a complete description includes identification of key personnel (including any contractors) and the salaries and fringe benefits associated with their time on the project as well as identification of all travel events (including who will be traveling and what the purpose of the trip is), individual contract amounts and purposes, and items that are categorized, such as computers, printers, scanners, copiers, and other office items.

(v) 1–3 points will be awarded for higher quality matching funds. We consider cash match to be of higher quality than in-kind. Thus, we will award more points for applications that have a larger percentage of matching funds coming from cash, based on the distribution of what is submitted by applicants.

(d) Qualifications of Key Personnel (maximum of 15 points). Describe the qualifications of the key personnel for the project. Key personnel may include employees of the Center or consultants/contractors, but they do not include administrative or financial staff whose purpose is to support the administrative requirements of the award. Your description should include the number of years of experience that a person has doing the type of work that will be assigned during the project as well as metrics indicating the number of times the person has provided the assistance and the outcomes of that assistance. You must also include the total hours that will be contributed to the project by each person. Points will be awarded as follows:

(i) 0 points will be awarded if you do not adequately address this criterion.

(ii) 1–5 points based on the percentage of work that will be carried out by Center employees. We will calculate the percentage by adding the

hours of the key personnel and dividing the number of hours from Center employees by the total hours.

- a. 1 point for 10–20% of the work carried out by Center employees;
- b. 2 points for 21–40% of the work carried out by Center employees;
- c. 3 points for 41–60% of the work carried out by Center employees;
- d. 4 points for 61–80% of the work carried out by Center employees; and
- e. 5 points for 81–100% of the work carried out by Center employees.

(iii) 1–10 points based on the qualifications of the key personnel. More points will be awarded in cases where the key personnel are assigned to specific tasks that match their experience and skills.

(e) Local support (maximum of 4 points). You must show that the Center has local support from and coordination with other developmental organizations in the proposed service area and with tribal, state, and local institutions. Support documentation should include recognition of rural values that balance employment opportunities with environmental stewardship and other rural amenities.

Points will be awarded as follows:

(i) 0 points are awarded if you do not adequately address this criterion or if you do not provide at least three letters of support.

(ii) 1 point will be awarded for a support letter from a developmental organization in the proposed service area that shows coordination with your project.

(iii) 1 point will be awarded for a support letter from a state or tribal institution.

(iv) 1 point will be awarded for a support letter from a local institution.

(v) 1 point will be awarded for support that includes recognition of rural values that balance employment opportunities with environmental stewardship and other rural amenities.

You may submit a maximum of 3 letters of support for this criterion (or you may reference other letters submitted with the application). When awarding points for this criterion, we will only consider support letters from developmental organizations in the proposed service area, and state and local institutions. Additionally, identical form letters signed by multiple organizations will not be included in the count of support letters received. Support letters must be included as an attachment to the application.

(f) Future support (maximum of 15 points). Describe the vision for funding Center operations for future years, including diversification of funding

sources and building in-house technical assistance capacity.

Points will be awarded as follows:

(i) 0 points will be awarded if you do not substantively address the criterion.

(ii) 1–5 points will be awarded for applications that describe a specific plan for obtaining future funding for the Center. More points will be awarded for plans that show concrete actions for at least 3 years into the future.

(iii) 1–5 points will be awarded for applications that show a diversification of funding sources. Possible funding sources include Federal awards, tribal, state and local awards, private donations, and pay-for-service plans. More points will be awarded for plans that include multiple, committed funding sources. You may summarize the funding sources/support in a chart or narrative and you must include the following information for each source: name of the organization, the amount of funds committed, the expected time period for commitment, and the purpose for which the funds can be used.

(iv) 1–5 points will be awarded for applications that show how in-house capacity for providing technical assistance will be improved. More points will be awarded for Centers that have a specific plan for training and hiring in-house technical assistance experts.

2. Review and Selection Process

We will review applications to determine if they are eligible for assistance based on requirements in this Notice, and other applicable Federal laws and regulations. If we determine that your application meets the requirements, it will be scored by a panel of USDA employees in accordance with the Scoring Criteria and point allocation specified in this Notice. The review panel will convene to reach a consensus on the scores for each of the eligible applications. Applications will be ranked solely based on the points awarded, and they will be funded in rank order until available funds are expended. If an application cannot be fully funded, we will offer partial funding to the extent funds are available. If the applicant offered partial funding does not accept, we will offer the funding to the next highest-ranked applicant until we find an applicant that accepts the funding or no additional eligible applicants exist.

If your application is ranked and not funded, it will not be carried forward into the next competition.

F. Federal Award Administration Information

1. Federal Award Notices

If you are selected for funding, you will receive a signed Letter of Conditions containing instructions on requirements necessary to proceed with execution and performance of the award. If you are able to meet the conditions of the award within the specified time frame (typically up to 90 calendar days), we will proceed with approving an award. If you are not able to meet the conditions of the award, we may terminate consideration of your application at our discretion and choose to award the funds to the next highest-ranked applicant.

If you are not selected for funding, you will be notified in writing and informed of any review and appeal rights. Funding of successfully appealed applications will be limited to available FY 2019 funding.

2. Administrative and National Policy Requirements

Additional requirements that apply to grantees selected for this program can be found in 2 CFR parts 200, 215, 400, 415, 417, 418, and 421. All recipients of Federal financial assistance are required to report information about first-tier subawards and executive compensation (See 2 CFR part 170). You will be required to have the necessary processes and systems in place to comply with the Federal Funding Accountability and Transparency Act reporting requirements (See 2 CFR 170.200(b), unless you are exempt under 2 CFR 170.110(b)). These regulations may be obtained at <http://www.gpoaccess.gov/cfr/index.html>.

The following additional requirements apply to grantees selected for this program:

- Agency approved Grant Agreement.
- Letter of Conditions.
- Form RD 1940–1, “Request for Obligation of Funds.”
- Form RD 1942–46, “Letter of Intent to Meet Conditions.”
- Form AD–1047, “Certification Regarding Debarment, Suspension, and Other Responsibility Matters-Primary Covered Transactions.”
- Form AD–1048, “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions.”
- Form AD–1049, “Certification Regarding a Drug-Free Workplace Requirement (Grants).”
- Form AD–3031, “Assurance Regarding Felony Conviction or Tax Delinquent Status for Corporate Applicants.” Must be signed by

corporate applicants who receive an award under this Notice.

- Form RD 400–4, “Assurance Agreement.” By signing Form 400–4, Assurance Agreement recipients affirm that they will operate the program free from discrimination. The recipient will maintain the race and ethnic data on the board members and beneficiaries of the program. The Recipient will provide alternative forms of communication to persons with limited English proficiency. The Agency will conduct Civil Rights Compliance Reviews on recipients to identify the collection of racial and ethnic data on program beneficiaries. In addition, the Compliance review will ensure that equal access to the Program benefits and activities are provided for persons with disabilities and language barriers.

- SF LLL, “Disclosure of Lobbying Activities,” if applicable.

- Certification of Lobbying. Your authorized representative must sign a certification which contains the entire statement from 2 CFR part 418, Appendix A.

3. Reporting

After award approval, you will be required to provide the following:

- A SF–425, “Federal Financial Report,” and a project performance report will be required on a quarterly basis (due 30 calendar days after end of each quarter) for the first year of the project to ensure that all recipients are able to complete start-up activities and begin providing technical assistance. Recipients may submit financial and performance reports on a semi-annual basis for the second year of the project, provided they are on schedule for project completion. For the purposes of this program, quarters end on March 31, June 30, September 30, and December 31. The project performance reports shall include a comparison of actual accomplishments to the objectives established for that period;

- Reasons why established objectives were not met, if applicable;

- Reasons for any problems, delays, or adverse conditions, if any, which have affected or will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of particular objectives during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation; and

- Objectives and timetable established for the next reporting period.

- Provide a final project and financial status report within 90 calendar days

after the expiration or termination of the award.

- Provide outcome project performance reports and final deliverables.

G. Agency Contacts

For general questions about this announcement and for program Technical Assistance, please contact National Office staff: Gail Thuner, Management and Program Analyst, cpgrants@wdc.usda.gov, or call 202–690–1376.

H. Other Information

Non-Discrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA’s TARGET Center at (202) 720–2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877–8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD–3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632–9992. Submit your completed form or letter to USDA by:

- (1) *mail*: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW, Washington, DC 20250–9410;

- fax*: (202) 690–7442; or

email: program.intake@usda.gov.

Bette B. Brand,

Administrator, Rural Business-Cooperative Service.

[FR Doc. 2019–22551 Filed 10–15–19; 8:45 am]

BILLING CODE 3410–XY–P

COMMISSION ON CIVIL RIGHTS

Notice of Public Meeting of the Vermont Advisory Committee

AGENCY: Commission on Civil Rights.

ACTION: Announcement of meeting.

SUMMARY: Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights (Commission), and the Federal Advisory Committee Act (FACA), that a meeting of the Vermont Advisory Committee to the Commission will convene by conference call at 5:00 p.m. (EDT) on Wednesday, October 16, 2019. The purpose of the meeting is to vote on the committee’s Statement of Concern on housing.

DATES: Wednesday, October 16, 2019, at 5:00 p.m. EDT.

Public Call-In Information:

Conference call-in number: 1–800–367–2403 and conference call 8242563.

FOR FURTHER INFORMATION CONTACT:

Evelyn Bohor at ero@usccr.gov or by phone at 202–376–7533.

SUPPLEMENTARY INFORMATION: Interested members of the public may listen to the discussion by calling the following toll-free conference call-in number: 1–800–367–2403 and conference call 8242563. Please be advised that before placing them into the conference call, the conference call operator will ask callers to provide their names, their organizational affiliations (if any), and email addresses (so that callers may be notified of future meetings). Callers can expect to incur charges for calls they initiate over wireless lines, and the Commission will not refund any incurred charges. Callers will incur no charge for calls they initiate over land-line connections to the toll-free conference call-in number.

Persons with hearing impairments may also follow the discussion by first calling the Federal Relay Service at 1–800–977–8339 and providing the operator with the toll-free conference call-in number: 1–800–367–2403 and conference call 8242563.

Members of the public are invited to make statements during the open comment period of the meeting or submit written comments. The comments must be received in the regional office approximately 30 days

after each scheduled meeting. Written comments may be mailed to the Eastern Regional Office, U.S. Commission on Civil Rights, 1331 Pennsylvania Avenue, Suite 1150, Washington, DC 20425, faxed to (202) 376-7548, or emailed to Evelyn Bohor at ero@usccr.gov. Persons who desire additional information may contact the Eastern Regional Office at (202) 376-7533.

Records and documents discussed during the meeting will be available for public viewing as they become available at <https://www.facadatabase.gov/FACA/FACAPublicViewCommitteeDetails?id=a10t0000001gzmXAAQ>, click the "Meeting Details" and "Documents" links. Records generated from this meeting may also be inspected and reproduced at the Eastern Regional Office, as they become available, both before and after the meetings. Persons interested in the work of this advisory committee are advised to go to the Commission's website, www.usccr.gov, or to contact the Eastern Regional Office at the above phone numbers, email or street address.

Exceptional Circumstance: Pursuant to 41 CFR 102-3.150, the notice for this meeting is given less than 15 calendar days prior to the meeting because of the exceptional circumstances of the federal government shutdown.

Agenda Wednesday, October 16, 2019 at 5:00 p.m. (EDT)

- Rollcall
- Vote on Housing Statement
- Other Business
- Open Comment
- Adjourn

Dated: October 9, 2019.

David Mussatt,

Supervisory Chief, Regional Programs Unit.

[FR Doc. 2019-22489 Filed 10-15-19; 8:45 am]

BILLING CODE P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Notice of Indirect Cost Rates for the Damage Assessment, Remediation, and Restoration Program for Fiscal Years 2016 and 2017

AGENCY: National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of Indirect Cost Rates for the Damage Assessment, Remediation, and Restoration Program for Fiscal Years 2016 and 2017.

SUMMARY: The National Oceanic and Atmospheric Administration's (NOAA's) Damage Assessment, Remediation, and Restoration Program (DARRP) is announcing new indirect cost rates on the recovery of indirect costs for its component organizations involved in natural resource damage assessment and restoration activities for fiscal years (FY) 2016 and 2017. The indirect cost rates for this fiscal year and date of implementation are provided in this notice. More information on these rates and the DARRP policy can be found at the DARRP website at www.darrp.noaa.gov.

FOR FURTHER INFORMATION: For further information, contact LaTonya Burgess at 240-533-0428, by fax at 301-713-4389, or email at LaTonya.Burgess@noaa.gov.

SUPPLEMENTARY INFORMATION: The mission of the DARRP is to restore natural resource injuries caused by releases of hazardous substances or oil under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) (42 U.S.C. 9601 *et seq.*) and the Oil Pollution Act of 1990 (OPA) (33 U.S.C. 2701 *et seq.*), and to support restoration of physical injuries to National Marine Sanctuary resources under the National Marine Sanctuaries Act (NMSA) (16 U.S.C. 1431 *et seq.*). The DARRP consists of three component organizations: The Office of Response and Restoration (ORR) within the National Ocean Service; the Restoration Center within the National Marine Fisheries Service; and the Office of the General Counsel Natural Resources Section (GCNRS). The DARRP conducts Natural Resource Damage Assessments (NRDAs) as a basis for recovering damages from responsible parties, and uses the funds recovered to restore injured natural resources.

Consistent with federal accounting requirements, the DARRP is required to account for and report the full costs of its programs and activities. Further, the DARRP is authorized by law to recover reasonable costs of damage assessment and restoration activities under CERCLA, OPA, and the NMSA. Within the constraints of these legal provisions and their regulatory applications, the DARRP has the discretion to develop indirect cost rates for its component organizations and formulate policies on the recovery of indirect cost rates subject to its requirements.

The DARRP's Indirect Cost Effort

In December 1998, the DARRP hired the public accounting firm Rubino & McGeehin, Chartered (R&M) to: Evaluate the DARRP cost accounting system and

allocation practices; recommend the appropriate indirect cost allocation methodology; and determine the indirect cost rates for the three organizations that comprise the DARRP. A **Federal Register** notice on R&M's effort, their assessment of the DARRP's cost accounting system and practice, and their determination regarding the most appropriate indirect cost methodology and rates for FYs 1993 through 1999 was published on December 7, 2000 (65 FR 76611).

R&M continued its assessment of DARRP's indirect cost rate system and structure for FYs 2000 and 2001. A second federal notice specifying the DARRP indirect rates for FYs 2000 and 2001 was published on December 2, 2002 (67 FR 71537).

In October 2002, DARRP hired the accounting firm of Cotton and Company LLP (Cotton) to review and certify DARRP costs incurred on cases for purposes of cost recovery and to develop indirect rates for FY 2002 and subsequent years. As in the prior years, Cotton concluded that the cost accounting system and allocation practices of the DARRP component organizations are consistent with federal accounting requirements. Consistent with R&M's previous analyses, Cotton also determined that the most appropriate indirect allocation method continues to be the Direct Labor Cost Base for all three DARRP component organizations. The Direct Labor Cost Base is computed by allocating total indirect cost over the sum of direct labor dollars, plus the application of NOAA's leave surcharge and benefits rates to direct labor. Direct labor costs for contractors from ERT, Inc. (ERT), Freestone Environmental Services, Inc. (Freestone), and Genwest Systems, Inc. (Genwest) were included in the direct labor base because Cotton determined that these costs have the same relationship to the indirect cost pool as NOAA direct labor costs. ERT, Freestone, and Genwest provided on-site support to the DARRP in the areas of injury assessment, natural resource economics, restoration planning and implementation, and policy analysis. Subsequent federal notices have been published in the **Federal Register** as follows:

- FY 2002, published on October 6, 2003 (68 FR 57672)
- FY 2003, published on May 20, 2005 (70 FR 29280)
- FY 2004, published on March 16, 2006 (71 Fed Reg. 13356)
- FY 2005, published on February 9, 2007 (72 FR 6221)
- FY 2006, published on June 3, 2008 (73 FR 31679)

- FY 2007 and FY 2008, published on November 16, 2009 (74 FR 58948)
- FY 2009 and FY 2010, published on October 20, 2011 (76 FR 65182)
- FY 2011, published on September 17, 2012 (77 FR 57074)
- FY 2012, published on August 29, 2013 (78 FR 53425)
- FY 2013, published on October 14, 2014 (79 FR 61617)
- FY 2014, published on December 17, 2015 (80 FR 78718)
- FY 2015, published on August 22, 2016 (81 FR 56580)

Cotton’s reports on these indirect rates can be found on the DARRP website at www.darrp.noaa.gov.

Empirical Concepts developed the DARRP indirect rates for FY 2016 and 2017. Empirical reaffirmed that the Direct Labor Cost Base is the most appropriate indirect allocation method for the development of the FY 2016 and 2017 indirect cost rates.

The DARRP’s Indirect Cost Rates and Policies

The DARRP will apply the indirect cost rates for FY 2016 and 2017 as recommended by Empirical for each of the DARRP component organizations as provided in the following table:

DARRP component organization	FY 2016 Indirect rate (percent)	FY 2017 Indirect rate (percent)
Office of Response and Restoration (ORR)	133.62	137.45
Restoration Center (RC)	64.46	73.26
General Counsel, Natural Resources Section (GCNRS) ..	62.67	77.30

These rates are based on the Direct Labor Cost Base allocation methodology.

The FY 2016 rates will be applied to all damage assessment and restoration case costs incurred between October 1, 2015 and September 30, 2016. The FY 2017 rates will be applied to all damage assessment and restoration case costs incurred between October 1, 2016 and September 30, 2017. DARRP will use the FY 2017 indirect cost rates for future fiscal years, beginning with FY 2018, until subsequent year-specific rates can be developed.

For cases that have settled and for cost claims paid prior to the effective date of the fiscal year in question, the DARRP will not re-open any resolved matters for the purpose of applying the revised rates in this policy for these fiscal years. For cases not settled and cost claims not paid prior to the effective date of the fiscal year in

question, costs will be recalculated using the revised rates in this policy for these fiscal years. Where a responsible party has agreed to pay costs using previous year’s indirect rates, but has not yet made the payment because the settlement documents are not finalized, the costs will not be recalculated.

David Westerholm,
Director, Office of Response and Restoration.
[FR Doc. 2019–22554 Filed 10–15–19; 8:45 am]

BILLING CODE 3510–JE–P

DEPARTMENT OF COMMERCE

Office of the Under Secretary for Economic Affairs

Performance Review Board Membership

AGENCY: Office of the Under Secretary for Economic Affairs, Department of Commerce.

ACTION: Notice.

In accordance with 5 U.S.C. 4314(c)(4), the Office of the Under Secretary for Economic Affairs (OUS/EA) announces the appointment of members who will serve on the OUS/EA Performance Review Board (PRB). The purpose of the PRB is to provide fair and impartial review of senior executive service and senior professional performance ratings, bonus, and pay adjustment recommendations and Presidential Rank Award nominations. The term of each PRB member will expire on December 31, 2021.

DATES: The effective date of service of appointees to the OUS/EA Performance Review Board is based upon publication of this notice.

FOR FURTHER INFORMATION CONTACT: Latasha Ellis, Program Manager, Executive Resources Office, Human Resources Division, Census Bureau, 4600 Silver Hill Road, Washington, DC 20233, 301–763–3727.

SUPPLEMENTARY INFORMATION: The names and position titles of the members of the PRB are set forth below:

- John M. Abowd, Associate Director for Research and Methodology, Census Bureau
- Ali M. Ahmad, Associate Director for Communications, Census Bureau
- Mary E. Bohman, Deputy Director, Bureau of Economic Analysis (BEA)
- Gregory Capella, Deputy Director, National Technical Information Service
- Paul Farello, Associate Director for International Economics, BEA
- Albert Fontenot, Jr., Associate Director for Decennial Census Programs, Census Bureau
- Thomas F. Howells III, Associate Director for Industry Accounts, BEA

- Kathleen James, Chief Administrative Officer, BEA
- Ron Jarmin, Deputy Director, Census Bureau
- Enrique Lamas, Senior Advisor to the Deputy Director, Census Bureau
- Edith J. McCloud, Associate Director for Management, Minority Business Development Agency
- Timothy Olson, Associate Director for Field Operations, Census Bureau
- Nick Orsini, Associate Director for Economic Programs, Census Bureau
- Benjamin J. Page, Chief Financial Officer, Census Bureau
- Jeremy Pelter, Senior Advisor for Policy and Program Integration, Office of the Secretary (OS)
- Joel D. Platt, Associate Director for Regional Economics, BEA
- Joseph Semsar, Chief of Staff to the Deputy Secretary, OS
- Kevin Smith, Chief Information Officer, Census Bureau
- Erich Strassner, Associate Director for National Economic Accounts, BEA
- Victoria Velkoff, Associate Director for Demographic Programs, Census Bureau
- David R. Ziaya, Chief Administrative Officer, Census Bureau

Ron S. Jarmin,
Deputy Director, Census Bureau, Chair, OUS/EA Performance Review Board.

[FR Doc. 2019–22507 Filed 10–15–19; 8:45 am]

BILLING CODE 3510–BS–P

DEPARTMENT OF COMMERCE

Bureau of Industry and Security

Notice of Open Meeting of the Sensors and Instrumentation Technical Advisory Committee

The Sensors and Instrumentation Technical Advisory Committee (SITAC) will meet on October 29, 2019, 9:30 a.m., in the Herbert C. Hoover Building, Room 6087B, 14th Street between Constitution and Pennsylvania Avenues NW, Washington, DC. The Committee advises the Office of the Assistant Secretary for Export Administration on technical questions that affect the level of export controls applicable to sensors and instrumentation equipment and technology.

Agenda

- Public Session:*
 1. Welcome and Introductions.
 2. Remarks from the Bureau of Industry and Security Management.
 3. Industry Presentations.
 4. New Business.
- Closed Session:*
 5. Discussion of matters determined to be exempt from the provisions relating to public meetings found in 5 U.S.C. app. 2 10(a)(1) and 10(a)(3).
The open session will be accessible via teleconference to 20 participants on

a first come, first serve basis. To join the conference, submit inquiries to Ms. Yvette Springer at Yvette.Springer@bis.doc.gov no later than October 22, 2019.

A limited number of seats will be available during the public session of the meeting. Reservations are not accepted. To the extent that time permits, members of the public may present oral statements to the Committee. The public may submit written statements at any time before or after the meeting. However, to facilitate distribution of public presentation materials to the Committee members, the Committee suggests that the materials be forwarded before the meeting to Ms. Springer.

For more information contact Yvette Springer on (202) 482-2813.

Yvette Springer,
Committee Liaison Officer.

[FR Doc. 2019-22454 Filed 10-15-19; 8:45 am]

BILLING CODE P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-928, A-791-821, A-552-803]

Uncovered Innerspring Units From the People's Republic of China, South Africa, and Socialist Republic of Vietnam: Continuation of Antidumping Duty Orders

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

SUMMARY: As a result of the determinations by the Department of Commerce (Commerce) and the International Trade Commission (ITC) that revocation of the antidumping duty orders on uncovered innerspring units (innersprings) from the People's Republic of China (China), South Africa, and the Socialist Republic of Vietnam (Vietnam), would likely lead to a continuation or recurrence of dumping and material injury to an industry in the United States, Commerce is publishing a notice of continuation of the antidumping duty orders.

DATES: Applicable October 16, 2019.

FOR FURTHER INFORMATION CONTACT: Javier Barrientos, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-2243.

SUPPLEMENTARY INFORMATION:

Background

On March 1, 2019, Commerce published the initiation of the second five-year (sunset) reviews of the antidumping duty orders on uncovered innerspring units from China, South Africa, and Vietnam, pursuant to section 751(c) of the Tariff Act of 1930 (the Act), as amended.¹ Commerce received notices of intent to participate in these sunset reviews from Leggett & Platt, Incorporated (the domestic interested party), within the 15-day period specified in 19 CFR 351.218(d)(1)(i). The domestic interested party claimed interested party status under section 771(9)(C) of the Act as a producer of the domestic like product.

Commerce received an adequate substantive response to the *Notice of Initiation* from the domestic interested party within the 30-day period specified in 19 CFR 351.218(d)(3)(i). Commerce received no substantive response from any respondent interested parties. In accordance with section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted expedited (120-day) sunset reviews of the antidumping duty orders on uncovered innerspring units from China, South Africa, and Vietnam.²

As a result of its review, Commerce determined, pursuant to section 751(c)(1) and 752(c) of the Act, that revocation of the *Orders* would likely lead to a continuation or recurrence of dumping.³ Commerce, therefore, notified the ITC of the magnitude of the dumping margins likely to prevail should the *Orders* be revoked. On October 3, 2019, the ITC published its determination, pursuant to section 751(c) of the Act, that revocation of the antidumping duty orders on innersprings from China, South Africa and Vietnam would likely lead to a continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.⁴

¹ See *Initiation of Five-Year (Sunset) Reviews*, 84 FR 7021 (March 1, 2019) (*Notice of Initiation*).

² See *Uncovered Innerspring Units from the People's Republic of China: Notice of Antidumping Duty Order*, 74 FR 7661 (February 19, 2009); *Antidumping Duty Order: Uncovered Innerspring Units from South Africa*, 73 FR 75390 (December 11, 2008); and *Antidumping Duty Order: Uncovered Innerspring Units from the Socialist Republic of Vietnam*, 73 FR 75391 (December 11, 2008) (collectively, the *Orders*).

³ See *Uncovered Innerspring Units from the People's Republic of China, South Africa, and Socialist Republic of Vietnam: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 84 FR 32878 (July 10, 2019) (*Final Results*), and accompanying Issues and Decision Memorandum.

⁴ See *Uncovered Innerspring Units from China, South Africa, and Vietnam: Investigation Nos. 731-*

Scope of the Orders

The merchandise covered by these *Orders* are uncovered innerspring units composed of a series of individual metal springs joined together in sizes corresponding to the sizes of adult mattresses (e.g., twin, twin long, full, full long, queen, California king, and king) and units used in smaller constructions, such as crib and youth mattresses. All uncovered innerspring units are included in this scope regardless of width and length. Included within this definition are innersprings typically ranging from 30.5 inches to 76 inches in width and 68 inches to 84 inches in length. Innersprings for crib mattresses typically range from 25 inches to 27 inches in width and 50 inches to 52 inches in length.

Uncovered innerspring units are suitable for use as the innerspring component in the manufacture of innerspring mattresses, including mattresses that incorporate a foam encasement around the innerspring.

Pocketed and non-pocketed innerspring units are included in this definition. Non-pocketed innersprings are typically joined together with helical wire and border rods. Non-pocketed innersprings are included in this definition regardless of whether they have border rods attached to the perimeter of the innerspring. Pocketed innersprings are individual coils covered by a "pocket" or "sock" of a nonwoven synthetic material or woven material and then glued together in a linear fashion.

Uncovered innersprings are classified under subheading 9404.29.9010 and have also been classified under subheadings 9404.10.0000, 7326.20.0070, 7320.20.5010, or 7320.90.5010 of the Harmonized Tariff Schedule of the United States (HTSUS). On January 11, 2011, Commerce included HTSUS classification numbers 9404.29.9005 and 9404.29.9011 to the customs case reference file, pursuant to a request by U.S. Customs and Border Protection (CBP). On January 7, 2013, Commerce included the HTSUS classification 7326.20.0071 number to the customs case reference file, pursuant to a request by CBP. The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope of the *Orders* is dispositive.

Continuation of the Orders

As a result of the determinations by Commerce and the ITC that revocation of the *Orders* would likely lead to a

continuation or recurrence of dumping and material injury to an industry in the United States, pursuant to section 751(d)(2) of the Act and 19 CFR 351.218(a), Commerce hereby orders the continuation of the antidumping duty orders on innersprings from China, South Africa and Vietnam. U.S. Customs and Border Protection will continue to collect antidumping duty cash deposits at the rates in effect at the time of entry for all imports of subject merchandise.

The effective date of the continuation of the *Orders* will be the date of publication in the **Federal Register** of this notice of continuation. Pursuant to section 751(c)(2) of the Act and 19 CFR 351.218(c)(2), Commerce intends to initiate the next sunset review of the *Orders* not later than 30 days prior to the fifth anniversary of the effective date of continuation.

This five-year sunset review and this notice are in accordance with section 751(c) and 751(d)(2) of the Act and published pursuant to section 777(i)(1) of the Act and 19 CFR 351.218(f)(4).

Dated: October 8, 2019.

Jeffrey I. Kessler,

Assistant Secretary for Enforcement and Compliance.

[FR Doc. 2019-22516 Filed 10-15-19; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[Application No. 92-15A001]

Export Trade Certificate of Review

ACTION: Notice of Issuance of an Amended Export Trade Certificate of Review to Aerospace Industries Association of America, Inc. ("AIA"), Application No. 92-15A001.

SUMMARY: The Secretary of Commerce, through the Office of Trade and Economic Analysis ("OTEAA"), issued an amended Export Trade Certificate of Review Certificate to AIA on September 30, 2019.

FOR FURTHER INFORMATION CONTACT: Joseph Flynn, Director, Office of Trade and Economic Analysis, International Trade Administration, (202) 482-5131 (this is not a toll-free number) or email at etca@trade.gov.

SUPPLEMENTARY INFORMATION: Title III of the Export Trading Company Act of 1982 (15 U.S.C. Sections 4001-21) ("the Act") authorizes the Secretary of Commerce to issue Export Trade Certificates of Review. An Export Trade Certificate of Review protects the holder

and the members identified in the Certificate from State and Federal government antitrust actions and from private treble damage antitrust actions for the export conduct specified in the Certificate and carried out in compliance with its terms and conditions. The regulations implementing Title III are found at 15 CFR part 325. OTEAA is issuing this notice pursuant to 15 CFR 325.6(b), which requires the Secretary of Commerce to publish a summary of the certification in the **Federal Register**. Under Section 305(a) of the Act and 15 CFR 325.11(a), any person aggrieved by the Secretary's determination may, within 30 days of the date of this notice, bring an action in any appropriate district court of the United States to set aside the determination on the ground that the determination is erroneous. Description of Certified Conduct

AIA's Export Trade Certificate of Review has been amended to:

1. Add the following companies as new Members of the Certificate within the meaning of section 325.2(l) of the Regulations (15 CFR 325.2(l)):
 - Air Liquide USA LLC; Houston, TX (controlling entity Air Liquide; Paris, France)
 - Applied Composites; Lake Forest, CA
 - Arch Tuscaloosa; Cottondale, AL (controlling entity Arch Global Precision; Bloomfield Hills, MI)
 - Booz Allen Hamilton; McLean, VA
 - Gamma Aerospace LLC; Mansfield, TX
 - Global Partner Solutions LLC; Wichita, KS (controlling entity Global Partner Solutions Inc.; Dorval, Quebec, Canada)
 - Hellen Systems LLC; Middleburg, VA
 - Limco Airepair, Inc.; Tulsa, OK
 - Stratolaunch Systems Corporation; Seattle, WA
 - Vantage Associates; National City, CA
2. Delete the following companies as Members of AIA's Certificate:
 - American Metal Bearing Company
 - Cyient Ltd.
 - EPTAM Plastics
 - Facebook, Inc.
 - Flight Safety International Inc
 - Flextronics International USA, Inc.
 - GKN Aerospace North America
 - Information Services Group, Inc.
 - ITT, Inc.
 - Job Performance Associates, LLC
 - JR Industries, Inc.
 - LAI International, Inc.
 - L-3 Communications Corporation
 - The NORDAM Group, Inc.
 - Omega Aerial Refueling Services, Inc.
 - Orbital ATK, Inc.
 - Pegasus Steel, LLC
 - Rockwell Collins

- Universal Protection Services
- Wesco Aircraft Hardware Corporation
- Xerox

3. Change the name of the following Members:

- Altitude Industries in Overland Park, KS is now named Enjet Aero, LLC in Overland Park, KS
 - Harris Corporation in Melbourne, FL, is now named L3Harris Technologies, Inc. in Melbourne, FL
- AIA's amendment of its Certificate results in the following Membership list:*
- 3M Company; St. Paul, MN
 - AAR Corp.; Wood Dale, IL
 - Accenture; Chicago, IL
 - Acutec Precision Aerospace, Inc.; Meadville, PA
 - ACUTRONIC USA, Inc.; Pittsburgh, PA
 - ADI American Distributors LLC; Randolph, NJ
 - Advanced Logistics for Aerospace (ALA); New York, NY
 - Aerion Corporation; Reno, NV
 - Aernnova Aerospace; Ann Arbor, MI
 - Aerojet Rocketdyne; Rancho Cordova, CA
 - Aero-Mark, LLC; Ontario, CA
 - Aero Metals Alliance; Northbrook, IL
 - AeroVironment, Inc.; Monrovia, CA
 - AGC Aerospace & Defense; Oklahoma City, OK
 - Aireon LLC; McLean, VA
 - Air Liquide USA LLC; Houston, TX
 - AlixPartners, LLP; New York, NY
 - Allied Telesis, Inc.; Bothell, WA
 - Alta Devices, Inc.; Sunnyvale, CA
 - Amazon.com, Inc.; Seattle, WA
 - American Pacific Corporation; Las Vegas, NV
 - Analytical Graphics, Inc.; Exton, PA
 - Arch Tuscaloosa; Cottondale, AL
 - Arconic Inc.; New York, NY
 - Apex International Management Company; Daytona Beach, FL
 - Applied Composites; Lake Forest, CA
 - Astronautics Corporation of America; Milwaukee, WI
 - Astronics Corporation, East Aurora, NY
 - Athena Manufacturing, LP; Austin, TX
 - AUSCO, Inc.; Port Washington, NY
 - Avascent; Washington, D.C.
 - B&E Group, LLC; Southwick, MA
 - BAE Systems, Inc.; Rockville, MD
 - Ball Aerospace & Technologies Corp.; Boulder, CO
 - Belcan Corporation; Cincinnati, OH
 - Benchmark Electronics, Inc.; Angleton, TX
 - BWX Technologies, Inc.; Lynchburg, VA
 - Bombardier; Montreal, Canada
 - Boom Technology, Inc.; Denver, CO
 - Booz Allen Hamilton; McLean, VA
 - Boston Consulting Group; Boston, MA

- BRPH Architects Engineers, Inc.; Melbourne, FL
 - Burns & McDonnell Engineering Corporation, Inc.; Kansas City, MO
 - CADENAS PARTSolutions, LLC; Cincinnati, OH
 - CAE USA; Tampa, FL
 - Capgemini; New York, NY
 - Celestica Inc.; Toronto, Canada
 - Click Bond, Inc.; Carson City, NV
 - Cobham; Arlington, VA
 - CPI Aerostructures, Inc.; Edgewood, NY
 - Crane Aerospace & Electronics; Lynnwood, WA
 - Cubic Corporation, Inc.; San Diego, CA
 - Cytec Engineered Materials, Inc.; Tempe, AZ
 - Deloitte Consulting LLP; New York, NY
 - Delta Flight Products; Atlanta, GA
 - Denison Industries, Inc.; Denison, TX
 - Ducommun Incorporated; Carson, CA
 - DuPont Company; New Castle, DE
 - DXC Technology Company, Tysons Comer, VA
 - Eaton Corporation; Cleveland, OH
 - Elbit Systems of America, LLC; Fort Worth, TX
 - Embraer Aircraft Holding Inc.; Fort Lauderdale, FL
 - Enjet Aero, LLC; Overland Park, KS
 - EPS Corporation; Tinton Falls, NJ
 - Ernst & Young LLP; New York, NY
 - Esterline Technologies; Bellevue, WA
 - Exostar LLC; Herndon, VA
 - FS Precision Tech, Co. LLC; Compton, CA
 - FTG Circuits, Inc.; Chatsworth, CA
 - Gamma Aerospace LLC; Mansfield, TX
 - Garmin International, Inc.; Olathe, KS
 - General Atomics Aeronautical Systems, Inc.; Poway, CA
 - General Dynamics Corporation; Falls Church, VA
 - General Electric Aviation; Cincinnati, OH
 - Global Partner Solutions, LLC; Wichita, KS
 - Google, LLC; Mountain View, CA
 - GSE Dynamics, Inc.; Hauppauge, NY
 - HCL America Inc.; Sunnyvale, CA
 - HEICO Corporation; Hollywood, FL
 - Hellen Systems LLC; Middleburg, VA
 - Hexcel Corporation; Stamford, CT
 - Honeywell Aerospace; Phoenix, AZ
 - Huntington Ingalls Industries, Inc.; Newport News, VA
 - IBM Corporation; Armonk, NY
 - Integral Aerospace, LLC; Santa Ana, CA
 - Iron Mountain, Inc.; Boston, MA
 - Jabil Defense & Aerospace Services LLC; St. Petersburg, FL
 - Kaman Aerospace Corporation; Bloomfield, CT
 - KPMG LLP; New York, NY
 - Kratos Defense & Security Solutions, Inc.; San Diego, CA
 - L3Harris Technologies, Inc.; Melbourne, FL
 - Leidos, Inc; Reston, VA
 - Limco Airepair, Inc.; Tulsa, OK
 - Lockheed Martin Corporation; Bethesda, MD
 - Lord Corporation; Cary, NC
 - LS Technologies, LLC; Fairfax, VA
 - Mantech International Corporation; Fairfax, VA
 - Marotta Controls, Inc.; Montville, NJ
 - Meggitt-USA, Inc.; Simi, CA
 - Mercury Systems, Inc.; Andover, MA
 - Microsemi Corporation; Aliso Viejo, CA
 - Momentum Aviation Group; Woodbridge, VA
 - MOOG Inc.; East Aurora, NY
 - MTorres Americas; Bothell, WA
 - National Technical Systems, Inc.; Calabasas, CA
 - NEO Tech.; Chatsworth, CA
 - Net-Inspect, LLC; Kirkland, WA
 - New England Air Foil Products, Inc.; Farmington, CT
 - Nokia US; Murray Hill, NJ
 - Norsk Titanium US Inc.; Plattsburgh, NY
 - Northrop Grumman Corporation; Los Angeles, CA
 - O'Neil & Associates, Inc.; Miamisburg, OH
 - Pacific Design Technologies; Goleta, CA
 - Parker Aerospace; Irvine, CA
 - Plexus Corporation; Neenah, WI
 - PPG Aerospace-Sierracin Corporation; Sylmar, CA
 - PrecisionHawk Inc.; Raleigh, NC
 - Primus Aerospace; Lakewood, CO
 - Primus Technologies Corporation; Williamsport, PA
 - PTC Inc.; Needham, MA
 - PWC Aerospace & Defense Advisory Services; McLean, VA
 - Range Generation Next LLC; Sterling, VA
 - Raytheon Company; Waltham, MA
 - Rhinestahl Corporation; Mason, OH
 - Rix Industries; Benecia, CA
 - Rolls-Royce North America Inc.; Reston, VA
 - salesforce.com, inc.; San Francisco, CA
 - SAP America, Inc.; Newtown Square, PA
 - Securitas Critical Infrastructure Services, Inc.; Springfield, VA
 - Siemens PLM Software; Plano, TX
 - Sierra Nevada Corporation, Space Systems; Littleton, CO
 - Spartan Corporation; Schaumburg, IL
 - Special Aerospace Services, LLC; Boulder, CO
 - Spirit AeroSystems; Wichita, KS
 - Stratolaunch Systems Corporation; Seattle, WA
 - SupplyOn North America, Inc.; San Diego, CA
 - Tech Manufacturing, LLC; Wright City, MO
 - Textron Inc.; Providence, RI
 - The Aerospace Corporation, Civil Systems Group; El Segundo, CA
 - The Boeing Company; Chicago, IL
 - The Lundquist Group LLC; New York, NY
 - The Padina Group, Inc.; Lancaster, PA
 - Therm, Incorporated; Ithaca, NY
 - Tip Technologies; Waukesha, WI
 - Tribus Aerospace Corporation; Poway, CA
 - TriMas Aerospace; Los Angeles, CA
 - Triumph Group, Inc.; Wayne, PA
 - TT Electronics; Perry, OH
 - Unitech Aerospace; Hayden, ID
 - United Technologies Corporation; Hartford, CT
 - Vantage Associates; National City, CA
 - Verify, Inc.; Irvine, CA
 - Virgin Galactic, LLC; Las Cruces, NM
 - Woodward, Inc.; Fort Collins, CO
- The effective date of the amended Certificate is July 26, 2019, the date on which AIA's application to amend was deemed submitted.
- Dated: October 10, 2019.
- Amanda Reynolds,**
*Office of Trade and Economic Analysis,
International Trade Administration, U.S.
Department of Commerce.*
[FR Doc. 2019-22544 Filed 10-15-19; 8:45 am]
- BILLING CODE 3510-DR-P**
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- DEPARTMENT OF COMMERCE**
- International Trade Administration**
- [A-570-954]**
- Certain Magnesia Carbon Bricks From the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review; 2017-2018**
- AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.
- SUMMARY:** The Department of Commerce (Commerce) preliminarily determines to rescind this administrative review, as there is no evidence of any reviewable entries, shipments, or sales of certain magnesia carbon bricks (magnesia carbon bricks) from the People's Republic of China (China) to the United States during the September 1, 2017 through August 31, 2018 period of review (POR) by the companies subject to this review. Interested parties are invited to comment on these preliminary results.
- DATES:** Applicable October 16, 2019.
- FOR FURTHER INFORMATION CONTACT:** Nathan James, AD/CVD Operations,

Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington DC 20230; telephone: 202-482-5305.

SUPPLEMENTARY INFORMATION:

Background

On November 15, 2018, Commerce published in the **Federal Register** a notice of initiation of an administrative review of the antidumping duty order on magnesia carbon bricks for five producers/exporters for the POR.¹ Commerce exercised its discretion to toll all deadlines affected by the partial federal government closure from December 22, 2018 through the resumption of operations on January 28, 2019.² Commerce extended the deadline for these preliminary results from July 12, 2019, to no later than October 10, 2019. For a more detailed description of the events that followed the initiation of this review, see the Preliminary Decision Memorandum, dated concurrently with these results and hereby adopted by this notice.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 (ACCESS). Access to ACCESS is available to registered users at <http://access.trade.gov> and is available to all parties in the Central Records Unit, Room B8024 of the main Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. A list of topics discussed in the Preliminary Decision Memorandum is attached as an Appendix to this notice. The signed Preliminary Decision Memorandum and the electronic

versions of the Preliminary Decision Memorandum are identical in content.

Scope of the Order

The scope of the order includes certain chemically-bonded magnesia carbon bricks from China. A full description of the scope of the order is contained in the Preliminary Decision Memorandum, which is hereby adopted by this notice.

Methodology

Commerce is conducting this administrative review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended (the Act). For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum.

Preliminary Intent To Rescind the Administrative Review, in Part, and Status of the China-Wide Entity

Based on information submitted after the initiation of this administrative review, and due to the fact that we have not received any information from U.S. Customs and Border Protection (CBP) indicating that the companies that submitted no shipment certifications had reviewable entries of subject merchandise to the United States during the POR, Commerce preliminarily determines certain companies subject to this review had no reviewable entries of subject merchandise during the POR.⁴ Should evidence arise that leads us to conclude that the companies subject to review had reviewable entries of subject merchandise during the POR, we will revisit this issue in the final results. Otherwise, pursuant to 19 CFR 351.213(d)(3), we intend to rescind the administrative review of these companies in the final results.

Additionally, none of the following companies subject to this review filed a separate rate application or certification: Liaoning Zhongmei High Temperature Material Co., Ltd., Liaoning Zhongmei Holding Co., Ltd., RHI Refractories Liaoning Co., Ltd., Shenglong Refractories Co., Ltd., Yingkou Heping Sanhua Materials Co., Ltd., and Yingkou Heping Samwha Minerals, Co., Ltd. Thus, Commerce preliminarily determines that these companies have not demonstrated their eligibility for separate rate status. As such, Commerce preliminarily determines that these companies are part of the China-wide entity. In addition, Commerce no longer considers the non-market economy (NME) entity as an exporter

conditionally subject to an antidumping duty administrative review.

Accordingly, the NME entity will not be under review unless Commerce specifically receives a request for, or self-initiates, a review of the NME entity. In this administrative review, no party requested a review of the China-wide entity. Moreover, we have not self-initiated a review of the China-wide entity. Because no review of the China-wide entity is being conducted, the China-wide entity's entries are not subject to the review and the rate applicable to the NME entity is not subject to change as a result of this review. The China-wide entity rate is 236.00 percent.

Public Comment

Case briefs must be submitted to Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) no later than 30 days after the date of publication of these preliminary results, unless the Secretary alters the time limit. Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.⁵ Commerce will notify interested parties when it has determined a deadline for case briefs via ACCESS. Parties who submit case or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) A statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.⁶

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically through ACCESS, within 30 days after the publication of this notice. Hearing requests should contain the party's name, address, telephone number, the number of participants, and a list of the issues parties intend to present at the hearing. If a request for a hearing is made, Commerce intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, at a time to be determined. Prior to the hearing, Commerce will contact all parties who submitted case or rebuttal briefs to determine if they wish to participate in the hearing. Commerce will then distribute a hearing schedule to these parties prior to the hearing, and only those parties listed on the hearing schedule may present issues raised in their briefs.

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 57414 (November 15, 2018) (*Initiation Notice*). The companies subject to this review are Fedmet Resources Corporation (Fedmet); Fengchi Imp. and Exp. Co., Ltd. of Haicheng City, Fengchi Mining Co., Ltd. of Haicheng City, and Fengchi Refractories Co., of Haicheng City (collectively, Fengchi); and RHI Liaoning Zhongmei High Temperature Material Co., Ltd., Liaoning Zhongmei Holding Co., Ltd., RHI Refractories Liaoning Co., Ltd., Shenglong Refractories Co., Ltd., Yingkou Heping Sanhua Materials Co., Ltd., and Yingkou Heping Samwha Minerals, Co., Ltd.

² See Memorandum, "Deadlines Affected by the Partial Shutdown of the Federal Government," dated January 28, 2019. All deadlines in this proceeding have been extended by 40 days.

³ See Memorandum, "Decision Memorandum for the Preliminary Results of the Administrative Review of the Antidumping Duty Order on Certain Magnesia Carbon Bricks from the People's Republic of China: 2017-2018," dated concurrently with this notice (Preliminary Determination Memorandum).

⁴ See Memorandum, "Certain magnesia carbon bricks from China (A-570-954)" dated July 31, 2019 (detailing CBP's response to Commerce's no-shipment inquiry).

⁵ See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1).

⁶ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

All submissions, with limited exceptions, must be filed electronically using ACCESS.⁷ An electronically filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time, on the due dates established above (or, where applicable, to be established by Commerce at a later date). Documents excepted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with the APO/Dockets Unit in Room 18022 and stamped with the date and time of receipt by on the due date.⁸

Unless otherwise extended, Commerce intends to issue the final results of this administrative review within 120 days of the publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

We intend to issue appropriate assessment instructions to CBP 15 days after the publication of the final rescission (or, should we find that the companies subject to this review had reviewable entries of subject merchandise to the United States during the POR, the final results) of this administrative review.

These preliminary results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: October 9, 2019.

Jeffrey I. Kessler,

Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Preliminary Intent To Rescind the Administrative Review, in Part, and Status of the China-wide Entity
- V. Public Comment
- VI. Recommendation

[FR Doc. 2019-22515 Filed 10-15-19; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

Correction to Notice of Opportunity To Request Administrative Review

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

FOR FURTHER INFORMATION CONTACT: Brenda E. Brown, AD/CVD Operations,

Customs Liaison Unit, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-4735.

SUPPLEMENTARY INFORMATION:

Background

On October 1, 2019, Commerce published its opportunity to request administrative review of the antidumping duty orders and inadvertently omitted the following suspension agreements: Uranium from the Russian Federation (A-821-802), POR 10/1/2018-9/30/2019; and Lemon Juice from Argentina (A-357-818), POR 10/1/2018-9/30/2019. *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 84 FR 52068 (October 1, 2019). This notice serves as a correction to include Uranium from the Russian Federation and Lemon Juice from Argentina in the referenced notice.

Dated: October 9, 2019.

James Maeder,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

[FR Doc. 2019-22517 Filed 10-15-19; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

University of Chicago Argonne LLC, et.al; Notice of Decision on Application for Duty-Free Entry of Scientific Instruments

This is a decision pursuant to Section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89-651, as amended by Pub. L. 106-36; 80 Stat. 897; 15 CFR part 301). On August 19, 2019, the Department of Commerce published a notice in the **Federal Register** requesting public comment on whether instruments of equivalent scientific value, for the purposes for which the instruments identified in the docket(s) below are intended to be used, are being manufactured in the United States. *See Application(s) for Duty-Free Entry of Scientific Instruments*, 84 FR 42889 (August 19, 2019) (*Notice*).

We received no public comments. Related records can be viewed between 8:30 a.m. and 5:00 p.m. in Room 3720, U.S. Department of Commerce, 14th and Constitution Ave. NW, Washington, DC.

Docket Number: 19-002. Applicant: University of Chicago Argonne LLC., Lemont, IL 60439-4873. Instrument:

S1-S3 magnets. Manufacturer: Danfysik, Denmark. Intended Use: See *Notice* at 84 FR 42889. Comments: None received. Decision: Approved. We know of no instruments of equivalent scientific value to the foreign instruments described below, for such purposes as this is intended to be used, that were being manufactured in the United States at the time of order. Reasons: The instrument(s) are the components of a 4th generation synchrotron accelerator, *i.e.*, the Advanced Photon Source Upgrade (APSU) accelerator. According to the applicant, APSU is a non-profit research facility which provides ultra-bright, high-energy x-ray beams to more than 5000 (and growing) scientists from across the United States. These scientists come from universities, medical schools, and other research institutions. Their research covers nearly every scientific discipline, from materials science to biology, chemistry, environmental, geological and planetary science and fundamental physics. APSU provides x-ray beams of a broad parameters that allow scientists to collect data in unprecedented detail and short time frames. According to the applicant, the research results achieved through APSU will make real and positive impact on our technologies, health, economy and fundamental understanding of the materials that make up the world.

Docket Number: 19-003. Applicant: University of Chicago Argonne LLC, Lemont, IL 60439-4873. Instrument: Canted Undulator Front-End Fixed Masks and Photon Shutters. Manufacturer: Strumenti Scientific CINEL S.R.L., Italy. Intended Use: See *Notice* at 84 FR 42889. Comments: None received. Decision: Approved. We know of no instruments of equivalent scientific value to the foreign instruments described below, for such purposes as this is intended to be used, that were being manufactured in the United States at the time of order. Reasons: According to the applicant, the instrument will be used to assemble the new canted undulator front ends for the Advanced Photon Source upgrade. The front end consists of a series of components that connect the storage ring to the user beamline in order to deliver a photon beam that will be used as a three-dimensional X-ray microscope for experimental purposes.

The properties of the materials studied include but are not limited to grain structure, grain boundary and interstitial defects and morphology. These properties are not only studied at ambient environments but also under high pressure, temperature, stress and strain. The objective is to further the

⁷ See 19 CFR 351.303.

⁸ *Id.*

understanding of different materials and material properties.

Docket Number: 19–004. Applicant: University of Chicago Argonne LLC., Lemont, IL 60439–4873. Instrument: Unipolar polar supplies. Manufacturer: Danfysik, Denmark. Intended Use: See *Notice* at 84 FR 42889–90. Comments: None received. Decision: Approved. We know of no instruments of equivalent scientific value to the foreign instruments described below, for such purposes as this is intended to be used, that were being manufactured in the United States at the time of order.

Reasons: According to the applicant, the instrument is part of a complex machine to be used for basic research that provides a very stable and filtered direct current (DC) to power electromagnet to bend, focus and correct electrons particle (e-) in a multi bend achromat (MBA) storage ring (SR). The nominal current varies from 100 A to 300A and the required stability and ripple is better than 10 parts per million (<10ppm). The equipment should comply with APS safety standards and mechanical dimensions to be installed in existing racks. According to the applicant, APS–U is approaching a new era in science and engineering, one that promises a revolutionary understanding of complex materials and chemical processes across the entire hierarchy of lengthscales and timescales. The improvements in photon beam properties, combined with rapid, ongoing advances in x-ray optics, insertion devices, detectors, computing and theory will make it possible for researchers at x-ray light sources to explore a new landscape of scientific problems that previously were inaccessible.

Docket Number: 19–006. Applicant: University of Chicago Argonne LLC, Lemont, IL 60439–4873. Instrument: Q4 and Q5 magnets. Manufacturer: Danfysik, Denmark. Intended Use: See *Notice* at 84 FR 42889–90. Comments: None received. Decision: Approved. We know of no instruments of equivalent scientific value to the foreign instruments described below, for such purposes as this is intended to be used, that were being manufactured in the United States at the time of order.

Reasons: The instrument(s) are the components of a 4th generation synchrotron accelerator, *i.e.*, the Advanced Photon Source Upgrade (APSU) accelerator. According to the applicant, APSU is a non-profit research facility which provides ultra-bright, high-energy x-ray beams to more than 5000 (and growing) scientists from across the United States. These scientists come from universities, medical schools, and other research

institutions. Their research covers nearly every scientific discipline, from materials science to biology, chemistry, environmental, geological and planetary science and fundamental physics. APSU provides x-ray beams of a broad parameters that allow scientists to collect data in unprecedented detail and short time frames. According to the applicant, the research results achieved through APSU will make real and positive impact on our technologies, health, economy and fundamental understanding of the materials that make up the world.

Docket Number: 19–007. Applicant: University of Chicago Argonne LLC, Lemont, IL 60439–4873. Instrument: Fixed Masks, Photon Shutters, Grid Masks. Manufacturer: Strument Scientific CINEL S.R.L., Italy. Intended Use: See *Notice* at 84 FR 42889–90. Comments: None received. Decision: Approved. We know of no instruments of equivalent scientific value to the foreign instruments described below, for such purposes as this is intended to be used, that were being manufactured in the United States at the time of order. Reasons: The instrument and components will be used to assemble the new high heat load front ends for the Advanced Photon Source Upgrade. The front end consists of a series of components that connect the storage ring to the user beamline to deliver a photon beam that will be used as a three-dimensional X-ray microscope for experimental purposes. The materials/phenomena studied vary from material properties analysis, protein mapping for pharmaceutical companies, X-ray imaging and chemical composition, but are not limited to grain structure, grain boundary and interstitial defects and morphology under high pressure, temperature, stress and strain.

Docket Number: 19–009. Applicant: Fermi Research Alliance (FRA) Batavia, IL 60510. Instrument: Linac Coherent Light Source II (LCLS–11) cryomodules vacuum vessels. Manufacturer: Wuxi Creative Technologies Company, Ltd., WXCX, China. Intended Use: See *Notice* at 84 FR 42890. Comments: None received. Decision: Approved. We know of no instruments of equivalent scientific value to the foreign instruments described below, for such purposes as this is intended to be used, that were being manufactured in the United States at the time of order. Reasons: The instrument will be used to study scientific research including the studies of elementary particles. Each vessel is assembled with other components to form a CW cryomodule. The Vessel is a cylindrical vacuum shell that the cold mass upper assembly

(“Assembly”) is inserted into. The Vessel provides the insulating vacuum and other necessary conditions to cool down and operate the cryomodules in the LCLS–II upgrade.

Dated: October 9, 2019.

Gregory W. Campbell,
Director, Subsidies Enforcement, Enforcement and Compliance.

[FR Doc. 2019–22533 Filed 10–15–19; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF DEFENSE

Department of the Air Force

Notice of Intent To Prepare an Environmental Impact Statement for Airspace Optimization for Readiness, Mountain Home Air Force Base, Idaho

AGENCY: Department of the Air Force, DoD.

ACTION: Notice of intent.

SUMMARY: The United States Air Force (USAF) is issuing this notice of intent to advise the public of its intent to prepare an Environmental Impact Statement (EIS) to evaluate potential environmental impacts associated with a proposed action on Airspace Optimization at Mountain Home Air Force Base (AFB), Idaho (ID).

DATES: The USAF intends to hold open-house style public scoping meetings from 5:00 p.m. to 8:00 p.m. in the following communities on the following dates: McDermitt, NV. Monday, November 4, 2019. McDermitt Combined Schools, 100 Olavarria Street, McDermitt, NV 89421. Boise, ID. Wednesday, November 6, 2019. The Riverside Hotel, 2900 West Chinden Boulevard, Boise, ID 83714. Grand View, ID. Thursday, November 7, 2019. Grand View Elementary School, 205 1st Street, Grand View, ID 83624. Mountain Home, ID. Friday, November 8, 2019. Mountain Home Junior High School, 1600 East 6th South Street, Mountain Home, ID 83647.

ADDRESSES: For questions regarding the Proposed Action or EIS development contact Grace Keesling at (210) 925–4534 or grace.keesling.1@us.af.mil. Comments will be accepted at any time during the environmental impact analysis process. However, to ensure the USAF has sufficient time to consider public input in the preparation of the Draft EIS, scoping comments should be submitted via the project website or to the address listed above by 25 November 2019. The project website (www.mountainhomeafbairspaceeis.com) provides more information on the

EIS and can be used to submit scoping comments. Scoping comments can also be submitted to Mountain Home AFB Airspace EIS, c/o Leidos, 1740 East Fairview Ave., PMB 20, Meridian, ID 83642.

SUPPLEMENTARY INFORMATION: Mountain Home AFB managed airspace consists of six Military Operations Areas (MOAs) with airspace over portions of Idaho, Nevada, and Oregon and two USAF ranges in Idaho for inert weapons deployment. The Jarbidge North and Owyhee North MOAs have operational floors at 100 feet above ground level (AGL). The other four MOAs (Jarbidge South, Owyhee South, Paradise North, and Paradise South) have operational floors at 10,000 feet mean sea level (MSL) or 3,000 feet AGL, whichever is higher. Supersonic aircraft flights are permitted above 30,000 feet MSL within all the MOAs except over the Duck Valley Indian Reservation. Supersonic events above 10,000 feet AGL are permitted only in the Jarbidge North and Owyhee North MOAs.

Modifying this airspace will allow the USAF to provide a more realistic and efficient airspace training environment and improve aircrew proficiency in low-altitude tactics and radar masking using mountainous terrain for survival in a highly contested environment. The proposed airspace changes include: (1) changing low-altitude operational airspace floors that currently prohibit realistic low-altitude training (LOWAT) certification and maintenance training and negatively impact vertical capability and capacity, (2) providing consistent low-level operational floors for low-altitude flights to allow use of topographic features of mountainous terrain to mask the aircraft and safely neutralize or avoid technologically advanced threats, and (3) allowing aircrews to descend at supersonic speed and to fly at lower supersonic altitudes so they can realistically train on evasive maneuvers.

While only a small portion of overall flights, any low-altitude operations would be subject to specific limitations; however, these operations are essential for training and mission completion. Alternatives that address the training requirements will be defined as reasonable alternatives for analysis in the EIS. The analysis will also include the No Action Alternative which provides a benchmark to enable USAF decision-makers to compare the magnitude of the potential environmental effects of the Proposed Action. The Federal Aviation Administration is a Cooperating Agency for this EIS.

Scoping and Agency Coordination: To effectively define the full range of issues to be evaluated in the EIS, the USAF will solicit written comments from interested local, state, and federal agencies and elected officials, Native American tribes, interested members of the public, and others. Public scoping meetings will be held in the local communities beneath or adjacent to the airspace. The scheduled dates, times, locations, and addresses for the public scoping meetings are concurrently being published in local media.

Adriane Paris,

Acting Air Force Federal Register Liaison Officer.

[FR Doc. 2019-22512 Filed 10-15-19; 8:45 am]

BILLING CODE 5001-10-P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Docket ID: DoD-2019-OS-0120]

Privacy Act of 1974; System of Records

AGENCY: Office of the Secretary of Defense, DoD.

ACTION: Notice of a modified System of Records.

SUMMARY: The Office of the Secretary of Defense (OSD) is modifying a System of Records titled, "Joint Advertising, Market Research & Studies (JAMRS) Recruiting Database," DHRA 04. Records in the JAMRS system are used to compile, process and distribute files of individuals to the Services to assist them in their direct marketing recruiting efforts. The system also provides JAMRS with the ability to measure effectiveness of list purchases through ongoing analysis and to remove the names of individuals who are currently members of, or are enlisting in, the Armed Forces or who have asked that their names be removed from future recruitment lists. The JAMRS Recruiting Database serves as a foundation for the Services' outreach efforts.

DATES: This notice is effective upon publication; however, comments on the Routine Uses will be accepted on or before November 15, 2019. The Routine Uses are effective at the close of the comment period.

ADDRESSES: You may submit comments, identified by docket number and title, by any of the following methods:

* *Federal Rulemaking Portal:* <http://www.regulations.gov>.

Follow the instructions for submitting comments.

* *Mail:* Department of Defense, Office of the Chief Management Officer, Directorate for Oversight and Compliance, 4800 Mark Center Drive, Mailbox #24, Suite 08D09, Alexandria, VA 22350-1700.

Instructions: All submissions received must include the agency name and docket number 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.

FOR FURTHER INFORMATION CONTACT: Ms. Luz D. Ortiz, Chief, Records, Privacy and Declassification Division (RPD2), 1155 Defense Pentagon, Washington, DC 20311-1155, or by phone at (571) 372-0478.

SUPPLEMENTARY INFORMATION: The OSD is modifying a system of records subject to the Privacy Act of 1974, 5 U.S.C. 552a. This system is used by the Armed Forces to educate potential prospects on the benefits of military service.

There are several unique advantages to centralizing the development and maintenance of this database on behalf of the DoD and the individual military services. This includes: Improved information assurance and physical security measures to ensure the information is safeguarded at the highest possible levels; reduced cost and avoidance of duplicate purchases of information, and timely removal of individuals from mailing lists who do not want to receive information from the Military.

The DoD notices for Systems of Records subject to the Privacy Act of 1974, as amended, have been published in the **Federal Register** and are available from the address in **FOR FURTHER INFORMATION CONTACT** or at the Defense Privacy, Civil Liberties, and Transparency Division website at <https://dpcl.d.defense.gov>.

The proposed systems reports, as required by of the Privacy Act, as amended, were submitted on August 20, 2019, to the House Committee on Oversight and Reform, the Senate Committee on Homeland Security and Governmental Affairs, and the Office of Management and Budget (OMB) pursuant to Section 6 to OMB Circular No. A-108, "Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act," revised December 23, 2016 (December 23, 2016, 81 FR 94424).

Dated: October 10, 2019.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

SYSTEM NAME AND NUMBER:

Joint Advertising, Market Research & Studies (JAMRS) Recruiting Database, DHRA 04.

SECURITY CLASSIFICATION:

Unclassified.

SYSTEM LOCATION:

Epsilon Data Management, LLC, 2425 Busse Road, Elk Grove Village, IL 60007-5737.

SYSTEM MANAGER(S):

Program Manager, Office of People Analytics, Joint Advertising, Market Research & Studies (JAMRS), Suite 06J25, 4800 Mark Center Drive, Alexandria, VA 22350-4000; email: *info@jamrs.org*.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

10 U.S.C. 503(a), Enlistments: recruiting campaigns; 10 U.S.C. 136, Under Secretary of Defense for Personnel and Readiness; 10 U.S.C. 3013, Secretary of the Army; 10 U.S.C. 5013, Secretary of the Navy; 10 U.S.C. 8013, Secretary of the Air Force; and 14 U.S.C. 350 Coast Guard, as amended.

PURPOSE(S) OF THE SYSTEM:

The JAMRS Recruiting Database compiles, processes, and distributes files of individuals, ages 16 to 18 years, to the Services to assist them in their direct marketing recruiting efforts. The system also provides JAMRS with the ability to measure effectiveness of list purchases through ongoing analysis and to remove the names of individuals who are currently members of, or are enlisting in, the Armed Forces or who have asked that their names be removed from future recruitment lists.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals aged 16 to 18; college students; Selective Service System registrants; individuals who have taken the Armed Services Vocational Aptitude Battery (ASVAB) test; individuals who have responded to various paid/non-paid advertising campaigns seeking enlistment information; current military personnel who are on Active Duty or in the Reserves and prior service individuals who still have remaining Military Service Obligation; individuals who are in the process of enlisting; and individuals who have asked to be removed from any future recruitment lists.

Opt-Out information: Individuals, who are 15½ years old or older, or

parents or legal guardians acting on behalf of individuals who are between the ages of 15½ and 18 years old, seeking to have their name or the name of their child or ward, as well as other identifying data, removed from this system of records (or removed in the future when such information is obtained) should address written Opt-Out requests to the Joint Advertising, Marketing Research & Studies (JAMRS), ATTN: Opt-Out, Suite 06J25, 4800 Mark Center Drive, Alexandria, VA 22350-4000. Such requests must contain the full name, date of birth, and current address of the individual.

Opt-Out requests will be honored for ten years. However, because Opt-Out screening is based, in part, on the current address of the individual, any change in address will require the submission of a new Opt-Out request with the new address.

CATEGORIES OF RECORDS IN THE SYSTEM:

All records: Full name, gender, address, city, state, zip code, source code.

For individuals ages 16 to 18 years: Date of birth, telephone number, high school name, graduation date, grade point average, education level, military interest, college intent, ethnicity, ASVAB test date, and ASVAB Armed Forces Qualifying Test Category score.

For college students: Telephone number, college name, college location, college type, college competitive ranking, class year, ethnicity, and field of study.

For Selective Service System: Date of birth and Selective Service registration method. Individuals who have responded to various paid/non-paid advertising campaigns seeking enlistment information: date of birth, telephone number, Service Code, last grade completed, email address, and contact immediately flag.

For military personnel: Date of birth, Electronic Data Interchange Personal Identifier/Department of Defense (DoD) Identification Number, ethnicity, education level, application date, military service, and occupation information.

For individuals who have asked to be removed from future recruitment list: Date of birth and reason code.

RECORD SOURCE CATEGORIES:

Individual; State Department of Motor Vehicle offices; commercial information brokers/vendors; Selective Service System; Defense Manpower Data Center; United States Military Entrance Processing Command for individuals who have taken the ASVAB test; and the Military services and Congressional

offices for individuals who have asked to be removed from any future recruitment lists.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act of 1974, as amended, these records contained herein may specifically be disclosed outside the DoD as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows:

a. To the Department of Homeland Security to support the development of advertising and market research targeted at prospective United States Coast Guard recruits.

b. To contractors, grantees, experts, consultants, students, and others performing or working on a contract, service, grant, cooperative agreement, or other assignment for the Federal Government when necessary to accomplish an agency function related to this system of records.

c. To the appropriate Federal, State, local, territorial, tribal, foreign, or international law enforcement authority or other appropriate entity where a record, either alone or in conjunction with other information, indicates a violation or potential violation of law, whether criminal, civil, or regulatory in nature.

d. To any component of the Department of Justice for the purpose of representing the DoD, or its components, officers, employees, or members in pending or potential litigation to which the record is pertinent.

e. In an appropriate proceeding before a court, grand jury, or administrative or adjudicative body or official, when the DoD or other Agency representing the DoD determines that the records are relevant and necessary to the proceeding; or in an appropriate proceeding before an administrative or adjudicative body when the adjudicator determines the records to be relevant to the proceeding.

f. To the National Archives and Records Administration for the purpose of records management inspections conducted under the authority of 44 U.S.C. 2904 and 2906.

g. To a Member of Congress or staff acting upon the Member's behalf when the Member or staff requests the information on behalf of, and at the request of, the individual who is the subject of the record.

h. To appropriate agencies, entities, and persons when (1) the DoD suspects or has confirmed that there has been a

breach of the system of records; (2) the DoD has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, the DoD (including its information systems, programs, and operations), the Federal Government, or national security; and (3) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with the DoD's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm.

i. To another Federal agency or Federal entity, when the DoD determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in (1) responding to a suspected or confirmed breach or (2) preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs and operations), the Federal Government, or national security, resulting from a suspected or confirmed breach.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

Records are maintained in electronic storage media.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:

Records are retrieved by individual's full name, address, and date of birth.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

Destroy three years from the date the information pertaining to the individual is first distributed to the Services or, or from the date on which the file has been inactive for one year, according to the mail usage dates, as appropriate. Records of the name and address of individuals who wish to be removed (Opt-Out) from future recruitment lists are retained for ten years from the date the name is added.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

Access to information in the database is highly restricted and limited to those that require the records in the performance of their official duties. The database utilizes a layered approach of overlapping controls, monitoring and authentication to ensure overall security of the data, network and system resources. Sophisticated physical security, perimeter security (firewall, intrusion prevention), access control, authentication, encryption, data transfer, and monitoring solutions prevent unauthorized access from internal and external sources. The

following administrative controls are also applied to restrict access to those who require the data in the performance of their official duties: Periodic security audits; regular monitoring of users' security practices; methods to ensure only authorized personnel have access to personally identifiable information; encryption of backups containing sensitive data; and backups secured offsite.

RECORD ACCESS PROCEDURES:

Individuals seeking access to records about themselves contained in this system should address inquiries to the Office of the Secretary of Defense/Joint Staff, Freedom of Information Act Requester Service Center, Office of Freedom of Information, 1155 Defense Pentagon, Washington, DC 20301-1155.

Signed, written requests should contain the full name, date of birth, and current address of the individual as well as the name and number of this system of records notice.

In addition, the requester must provide either a notarized statement or an unsworn declaration made in accordance with 28 U.S.C. 1746, in the following format:

If executed outside the United States: "I declare (or certify, verify, or state) under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on (date). (Signature)."

If executed within the United States, its territories, possessions, or commonwealths: "I declare (or certify, verify, or state) under penalty of perjury that the foregoing is true and correct. Executed on (date). (Signature)."

CONTESTING RECORD PROCEDURES:

The DoD rules for accessing records, contesting contents, and for appealing initial agency determinations are contained in 32 CFR part 310, or may be obtained from the system manager.

NOTIFICATION PROCEDURES:

Individuals seeking to determine whether information about themselves is contained in this system should address inquiries to the Joint Advertising, Market Research & Studies (JAMRS), Direct Marketing Program Officer, Suite 06J25, 4800 Mark Center Drive, Alexandria, VA 22350-4000.

Signed, written requests should contain the full name, date of birth, and current address of the individual as well as the name and number of this system of records notice.

In addition, the requester must provide either a notarized statement or an unsworn declaration made in accordance with 28 U.S.C. 1746, in the following format:

If executed outside the United States: "I declare (or certify, verify, or state) under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on (date). (Signature)."

If executed within the United States, its territories, possessions, or commonwealths: "I declare (or certify, verify, or state) under penalty of perjury that the foregoing is true and correct. Executed on (date). (Signature)."

EXEMPTIONS PROMULGATED FOR THE SYSTEM:

None.

HISTORY:

December 22, 2011, 76 FR 79663.

[FR Doc. 2019-22562 Filed 10-15-19; 8:45 am]

BILLING CODE 5001-06-P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Docket ID: DoD-2019-OS-0119]

Privacy Act of 1974; System of Records

AGENCY: Office of the Secretary, DoD.

ACTION: Notice of a modified System of Records.

SUMMARY: The Office of the Secretary of Defense (OSD) is modifying a System of Records titled, "Defense Enrollment Eligibility Reporting System (DEERS), DMDC 02 DoD." DEERS manages the issuance of DoD identification cards, manages physical and logistical access to DoD facilities and provides a database for determining DoD entitlements and privileges. The modification also reflects changes to the following sections: System manager, authorities, categories of individuals, categories of records, routine uses, record access procedures, and notification procedures.

DATES: This notice is effective upon publication; however, comments on the Routine Uses will be accepted on or before November 15, 2019. The Routine Uses are effective at the close of the comment period.

ADDRESSES: You may submit comments, identified by docket number and title, by any of the following methods:

* *Federal Rulemaking Portal:* <http://www.regulations.gov>.

Follow the instructions for submitting comments.

* *Mail:* Department of Defense, Office of the Chief Management Officer, Directorate for Oversight and Compliance, 4800 Mark Center Drive, Mailbox #24, Suite 08D09, Alexandria, VA 22350-1700.

Instructions: All submissions received must include the agency name and

docket number 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.

FOR FURTHER INFORMATION CONTACT: Ms. Luz D. Ortiz, Chief, Records, Privacy and Declassification Division (RPDD), 1155 Defense Pentagon, Washington, DC 20311-1155, or by phone at (571) 372-0478.

SUPPLEMENTARY INFORMATION: The OSD is modifying a System of Records subject to the Privacy Act of 1974, 5 U.S.C. 552a. The DoD uses this System of Records for the purpose of identity management, benefit eligibility determinations, supporting DoD healthcare management programs and assessing manpower and personnel and readiness functions. Additionally, this system is used to assist in Department programs such as the Transition Assistance Program, facilitation of DoD authorized surveys, and voter registration and voting procedures for eligible members. This modification ensures DoD's compliance with the Privacy Act of 1974 by updating the appropriate authorities and routine uses for authorized sharing of information to external DoD partners, specifically as it relates to the Servicemember Civil Relief Act (SCRA). These updates reflect the reformatting of the notice to ensure compliance with Office of Management and Budget (OMB) Circular No. A-108, "Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act."

The DoD notices for Systems of Records subject to the Privacy Act of 1974, as amended, have been published in the **Federal Register** and are available from the address in **FOR FURTHER INFORMATION CONTACT** or at the Defense Privacy, Civil Liberties, and Transparency Division website at <http://dpcl.dod.mil>.

The proposed system reports, as required by the Privacy Act, as amended, were submitted on August 28, 2019, to the House Committee on Oversight and Reform, the Senate Committee on Homeland Security and Governmental Affairs, and the OMB pursuant to Section 6 of OMB Circular No. A-108, "Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act," revised December 23, 2016 (December 23, 2016, 81 FR 94424).

Dated: October 10, 2019.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

SYSTEM NAME AND NUMBER:

Defense Enrollment Eligibility Reporting Systems (DEERS), DMDC 02 DoD.

SECURITY CLASSIFICATION:

Unclassified.

SYSTEM LOCATION:

DMDC at DISA DECC Columbus, 3990 East Broad St, Bldg. 23, Columbus, OH 43213-0240.

SYSTEM MANAGER(S):

Deputy Director, Defense Manpower Data Center, DoD Center Monterey Bay, 400 Gigling Road, Seaside, CA 93955-6771. Email: dodhra.dodc-mb.dmdc.mbx.webmaster@mail.mil.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

5 U.S.C. App. 3, Inspector General Act of 1978; 5 U.S.C. Chapter 90, Federal Long-Term Care Insurance; 10 U.S.C. 136, Under Secretary of Defense for Personnel and Readiness; 10 U.S.C. Chapter 53, Miscellaneous Rights and Benefits; 10 U.S.C. Chapter 54, Commissary and Exchange Benefits; 10 U.S.C. Chapter 58, Benefits and Services for Members being Separated or Recently Separated; 10 U.S.C. Chapter 75, Deceased Personnel; 10 U.S.C. 2358, Research and Development Projects; 10 U.S.C. 987, Terms of Consumer Credit Extended to Members and Dependents; 20 U.S.C. 1070h, Scholarships for Veteran's Dependents; 31 U.S.C. 3512(c), Executive Agency Accounting and Other Financial Management Reports and Plan; 38 U.S.C. Chapter 19, Subchapter III, Service members' Group Life Insurance; 42 U.S.C. 18001 note, Patient Protection and Affordable Care Act (Pub. L. 111-148); 42 U.S.C. 1973ff, Federal Responsibilities; 50 U.S.C. Chapter 23, Internal Security; 50 U.S.C. Chapter 50, Servicemembers Civil Relief Act; DoD Directive 1000.04, Federal Voting Assistance Program (FVAP); DoD Directive 1000.25, DoD Personnel Identity Protection (PIP) Program; DoD Instruction 1015.9, Professional United States Scouting Organization Operations at United States Military Installations Located Overseas; DoD Instruction 1100.13, Surveys of DoD Personnel; DoD Instruction 1241.03 TRICARE Retired Reserve (TRS) Program; DoD Instruction 1241.04, TRICARE Reserve Select (TRS) Program; DoD Instruction 1336.05, Automated Extract of Active Duty Military Personnel Records; DoD Instruction 1341.2, Defense Enrollment Eligibility Reporting System (DEERS)

Procedures; DoD Manual 1341.02, DoD Identity Management DoD Self-Service (DS) Logon Program and Credential; DoD Instruction 3001.02, Personnel Accountability in Conjunction with Natural or Manmade Disasters; Homeland Security Presidential Directive 12, Policy for a Common Identification Standard for Federal Employees and Contractors; DoD Instruction 7730.54, Reserve Components Common Personnel Data System (RCCPDS); 38 CFR 9.20, Traumatic injury protection; and E.O. 9397 (SSN), as amended.

PURPOSE(S) OF THE SYSTEM:

To manage the issuance of DoD badges and identification cards, *i.e.*, Common Access Cards (CACs) or beneficiary identification cards.

To authenticate and identify DoD affiliated personnel (*e.g.*, contractors); to manage physical and logical access to DoD facilities.

To provide a database for determining eligibility for DoD entitlements and privileges; to detect fraud and abuse of the benefit programs by claimants and providers to include appropriate collection actions arising out of any debts incurred as a consequence of such programs; to detect and identify current DoD civilian and military personnel committing benefit program fraud and abuse; to ensure benefit eligibility is retained after separation from the military; to maintain the Servicemembers' Group Life Insurance (SGLI) and Family SGLI (FSGLI) coverage elections and beneficiaries' information.

To support DoD healthcare management programs, to include research and analytical projects, through the Defense Health Agency (previously the TRICARE Management Activity); to support benefit administration for those beneficiaries that have granted permission to use their personal email address for benefit-related notification purposes; to register current DoD civilian and military personnel and their authorized dependents to obtain medical examinations, treatment or other benefits to which they are entitled; to provide identification of deceased members.

To assess manpower, support personnel and readiness functions, to include Continuous Evaluation programs; to perform statistical analyses; to determine Service members Civil Relief Act (SCRA) duty status as it pertains to SCRA legislation; to determine Military Lending Act (MLA) eligibility pertaining to MLA legislation; to prepare studies and policies related to manpower and the health and well-

being of current and past Armed Forces and DoD-affiliated personnel; to assist in the Transition Assistance Program (TAP); to assist in recruiting prior-service personnel; to notify military members eligible to vote about voter registration and voting procedures; and to provide rosters of DoD affiliated persons at the time of an official declared natural or man-made disaster.

To provide appropriate contact information of DoD personnel and beneficiaries for the purpose of conducting DoD authorized surveys. Authorized surveys are used as a management tool for conducting statistical analysis, policy planning, reporting, evaluation of program effectiveness, conducting research, to provide direct feedback on key strategic indicators, and for other policy planning purposes. Defense Manpower Data Center (DMDC) web usage data will be used to validate continued need for user access to DMDC computer systems and databases, to address problems associated with web access, and to ensure that access is only for official purposes.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Members, former members, retirees, civilian employees (includes non-appropriated fund) and contractor employees of the DoD and all of the Uniformed Services; Presidential appointees of all Federal Government agencies; Medal of Honor recipients; U.S. Military Academy students; DoD and Department of Veterans Affairs (DVA) beneficiaries (*e.g.*, dependent family members, legal guardians and other protectors, prior military members eligible for DVA benefits, beneficiaries of SGLI/FSGLI), non-Federal agency civilian associates and other individuals granted DoD privileges, benefits, or physical or logical access to military installations (*e.g.*, American Red Cross paid employees, United Service Organization, Intergovernmental Personnel Act Employees, Boy and Girl Scout Professionals, non-DoD contract employees); members of the public treated for a medical emergency in a DoD or joint DoD/DVA medical facility; and non-CAC holders requiring access to DoD IT applications (*i.e.*, DVA employees, Department of Homeland Security (DHS) employees, state National Guard Employees, Office of Personnel Management (OPM) employees and Affiliated Volunteers); Individuals identified as the result of an administrative function in information assurance/cybersecurity reports and supportive materials.

CATEGORIES OF RECORDS IN THE SYSTEM:

Individual's name; Service or Social Security Number (SSN); DoD identification (DoD ID) number; residence address; mailing address; personal and work email addresses; date of birth; gender; mother's maiden name, branch of Service; primary and secondary fingerprints and photographs; Foreign National Identification Numbers; emergency contact person information; stored documents for proofing identity and association; DEERS Benefits Number; relationship of beneficiary to sponsor, to include relationship and eligibility qualifiers (*i.e.*, percent of support by sponsor, student or incapacitation status, guardian authorizations); SGLI/FSGLI beneficiaries information and amounts of coverage; pharmacy benefits; start and end dates of benefits eligibility; number of family members of sponsor; multiple birth code/birth order; primary unit duty location of sponsor; race and ethnic origin; occupation; rank/pay grade.

Disability documentation; wounded, ill and injured identification information; other health information (*i.e.*, tumor/reportable disease registry, immunizations); Medicare eligibility and enrollment data; CHAMPVA and Federal Employees Health Benefits (FEHB) program eligibility indicators; blood test results; Deoxyribonucleic Acid (DNA); dental care eligibility codes and dental x-rays.

Patient registration data for shared DoD/DVA beneficiary populations, including DVA Integration Control Number (ICN), DVA patient type, patient category code and patient category TRICARE enrollment data (*i.e.*, plan name, effective dates, primary care manager information, premium payment details), identity and relationship data, command interest code and name, command security code and name, medical fly status code.

Catastrophic Cap and Deductible transactions, including monetary amounts; third party health insurance information on dependents; in addition to identity data and demographic data for beneficiaries such as contact information, family membership, and personnel information is captured as required to determine and maintain benefits; DVA disability payment records; digital signatures where appropriate to assert validity of data; care giver information; immunization data; education benefit eligibility and usage; special military pay information; SGLI/FSGLI; Privacy Act audit logs; and account audit information (*i.e.*, IP address) to support cybersecurity

policy, unauthorized access and other similar investigations.

Character of service; reenlistment eligibility; entitlement conditions; activations and deployments; medals and awards data; citizenship data/country of birth; civil service employee employment information (agency and bureau, pay plan and grade, nature of action code and nature of action effective date, occupation series, dates of promotion and expected return from overseas, service computation date); compensation data (*i.e.*, Department of Labor Compensation data); date of separation of former enlisted and officer personnel; Information Assurance Work Force information; language data; military personnel information (rank, assignment/deployment, length of service, military occupation, education, and benefit usage); reason leaving military service or DoD civilian service; Reserve member's civilian occupation and employment information; workforces information (*e.g.*, acquisition, first responders).

RECORD SOURCE CATEGORIES:

Individuals and the personnel, pay, and benefit systems of the military and civilian departments, and agencies of the Uniformed Services, DVA, and other Federal agencies.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act of 1974, as amended, the records contained herein may specifically be disclosed outside the DoD as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows:

a. To Federal agencies and/or their contractors, the Transportation Security Administration and other federal transportation agencies, for purposes of authenticating the identity of individuals who, incident to the conduct of official business, present the CAC or other valid identification as proof of identity to gain physical or logical access to government and contractor facilities, locations, networks, systems, or programs.

b. To Federal and State agencies to validate demographic data (*e.g.*, SSN, citizenship status, date and place of birth, etc.) for individuals in DMDC personnel and pay files so that accurate information is available in support of DoD requirements.

c. To the Social Security Administration for the purpose of verifying an individual's identity.

d. To the DVA:

1. To provide uniformed service personnel (pay, wounded, ill, and

injured) identification data for present and former uniformed service personnel for the purpose of evaluating use of veterans' benefits, validating benefit eligibility and maintaining the health and well-being of veterans and their family members.

2. To provide identifying uniformed service personnel data to the DVA and its insurance program contractor for the purpose of conducting outreach and administration of benefits to qualified service members, Veterans and their dependents (38 U.S.C. 1977), notifying separating eligible Reservists of their right to apply for Veteran's Group Life Insurance coverage under the Veterans Benefits Improvement Act of 1996 (38 U.S.C. 1968) and for DVA to administer the Traumatic Service members' Group Life Insurance (TSGLI) (Traumatic Injury Protection Rider to Service members' Group Life Insurance (TSGLI), 38 CFR 9.20).

3. To register eligible veterans and their dependents for DVA programs.

4. To provide former uniformed service personnel and survivor's financial benefit data to DVA for the purpose of identifying retired pay and survivor benefit payments for use in the administration of the DVA's Compensation and Pension Program (38 U.S.C. 5106). The information is to be used to process all DVA award actions more efficiently, reduce subsequent overpayment collection actions, and minimize erroneous payments.

5. To provide identifying uniformed service personnel data to the DVA for the purpose of notifying such personnel of information relating to educational assistance as required by the Veterans Programs Enhancement Act of 1998 (38 U.S.C. 3011 and 3034).

6. To the Veterans Benefits Administration, DVA uniformed service personnel and financial data for the purpose of determining initial eligibility and any changes in eligibility status to insure proper payment of benefits for GI Bill education and training benefits by the DVA under the Montgomery GI Bill (10 U.S.C. Chapter 1606—Selected Reserve and 38 U.S.C. Chapter 30—Active Duty), the Reserve Educational Assistance Program (REAP) educational benefit (Title 10 U.S.C. Chapter 1607), and the National Call to Service enlistment educational benefit (10 Chapter 510), the Post 9/11 GI Bill (38 U.S.C. Chapter 33), and The Transferability of Education Assistance to Family Members. The administrative responsibilities designated to both agencies by the law require that data be exchanged when administering the programs.

e. To consumer reporting agencies:

1. To obtain identity confirmation and current addresses of separated uniformed services personnel to notify them of potential benefits eligibility.

2. To the national consumer reporting agencies for the purpose of ensuring eligible Service members receive MLA protections in accordance with 32 CFR 232.

f. To financial institutions, collection agencies and others with financial and legal transactions with eligible service members for the purpose of ensuring those service members receive SCRA protections in accordance with 50 U.S.C. Chapter 50.

g. To Federal Agencies, to include OPM, United States Postal Service, Department of Health and Human Services (HHS), Department of Education, and DVA to conduct computer matching programs regulated by the Privacy Act of 1974, as amended (5 U.S.C. 552a), for the purpose of:

1. Providing all members of the Reserve Component of the Armed Forces to be matched against the Federal agencies for identifying those Reserve Component Service members that are also Federal civil service employees with eligibility for the FEHB program. This disclosure by the Federal agencies will provide the DoD with the FEHB program eligibility and Federal employment information necessary to determine initial and continuing eligibility for the TRICARE Reserve Select (TRS) program and the TRICARE Retired Reserve (TRR) program (collectively referred to as purchased TRICARE programs). Reserve Component members who are not eligible for FEHB program are eligible for TRS (10 U.S.C. 1076d) or TRR (10 U.S.C. 1076e).

2. Providing all members of the Reserve Component of the Armed Forces to be matched against the Federal agencies for the purpose of identifying the Ready Reserve Component Service members who are also employed by the Federal Government in a civilian position, so that reserve status can be terminated if necessary. To accomplish an emergency mobilization, individuals occupying critical civilian positions cannot be mobilized as Reservists.

3. Providing data to the Department of Education for the purpose of identifying dependent children of those Armed Forces members killed in Operation Iraqi Freedom and Operation Enduring Freedom, Iraq and Afghanistan Only, for possible benefits.

4. To the Veterans Benefits Administration, DVA uniformed service data for the purpose of determining eligibility and any changes in eligibility status to insure proper administration of

benefits for GI Bill education and training benefits under the Montgomery GI Bill (10 U.S.C. Chapter 1606—Selected Reserve and 38 U.S.C. Chapter 30—Active Duty), the Post 9/11 GI Bill (38 U.S.C. Chapter 33).

5. Providing data to the Centers for Medicaid and Medicare Services (CMS), HHS, for the purpose of identifying DoD eligible beneficiaries both over and under the age of 65 who are Medicare eligible. Current law requires the Defense Health Agency to discontinue military health care benefits to Military Health Services beneficiaries who are Medicare eligible unless they are enrolled in Medicare Part B.

h. To the CMS, HHS, for the purpose of verifying individual's healthcare eligibility status, in accordance with the Affordable Care Act. Data provided to CMS will be used to make eligibility determinations for insurance affordability programs, administered by Medicaid, the Children's Health Insurance Program, the Basic Health Program and the American Health Benefit Exchange.

i. To Federal agencies for the purpose of notifying service members and dependent individuals of payments or other benefits for which they are eligible under actions of the Federal agencies.

j. To State agencies for the purpose of supporting State Veteran Affairs activities.

k. To the Department of Labor for unemployment compensation calculations.

l. To other Federal agencies and state, local and territorial governments to identify fraud and abuse of the Federal agency's programs and to identify debtors and collect debts and overpayment in the DoD health care programs.

m. To each of the fifty states and the District of Columbia for the purpose of determining the extent to which state Medicaid beneficiaries may be eligible for Uniformed Services health care benefits, including CHAMPUS, TRICARE, and to recover Medicaid monies from the CHAMPUS program.

n. To State and local child support enforcement agencies for purposes of providing information, consistent with the requirements of 29 U.S.C. 1169(a), 42 U.S.C. 666(a)(19), and E.O. 12953 and in response to a National Medical Support Notice (NMSN) (or equivalent notice if based upon the statutory authority for the NMSN), regarding the military status of identified individuals and whether, and for what period of time, the children of such individuals are or were eligible for DoD health care coverage. NOTE: Information requested by the states is not disclosed when it

would contravene U.S. national policy or security interests (42 U.S.C. 653(e)).

o. To the HHS:

1. For purposes of providing information, consistent with the requirements of 42 U.S.C. 653 and in response to an HHS request, regarding the military status of identified individuals and whether the children of such individuals are or were eligible for DoD healthcare coverage and for what period of time they were eligible. NOTE: Information requested by HHS is not disclosed when it would contravene U.S. national policy or security interests (42 U.S.C. 653(e)).

2. For purposes of providing information so that specified Medicare determinations, specifically late enrollment and waiver of penalty, can be made for eligible (1) DoD military retirees and (2) spouses (or former spouses) and/or dependents of either military retirees or active duty military personnel, pursuant to section 625 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2002 (as codified at 42 U.S.C. 1395p and 1395r).

3. To the Office of Child Support Enforcement, Federal Parent Locator Service, pursuant to 42 U.S.C. 653 and 653a; to assist in locating individuals for the purpose of establishing parentage; establishing, setting the amount of, modifying, or enforcing child support obligations; or enforcing child custody or visitation orders; the relationship to a child receiving benefits provided by a third party and the name and SSN of those third party providers who have a legal responsibility. Identifying delinquent obligors will allow state child support enforcement agencies to commence wage withholding or other enforcement actions against the obligors.

4. For purposes of providing information to the CMS to account for the impact of DoD healthcare on local reimbursement rates for the Medicare Advantage program as required in 42 CFR 422.306.

p. To the Coast Guard and Public Health Service to complete Individual Mandate Reporting and Employer Mandate reporting to the Internal Revenue Service (IRS) as required by Patient Protection and Affordable Care Act of 2010 (Pub. L. 111–148) and Sections 6055 and 6056 of the IRS Code.

q. To Federal and contractor medical personnel at joint DoD/DVA health care clinics, for purposes of authenticating the identity of individuals who are registered as patients at the clinic and maintaining, through the correlation of DoD ID number and ICN, a shared

population of DoD and DVA beneficiaries who are users of the clinic.

r. To the American Red Cross for purposes of providing emergency notification and assistance to members of the Armed Forces, retirees, family members or survivors.

s. To the Office of Disability and Insurance Security Programs, for the purpose of expediting disability processing of wounded military service members and veterans.

t. To Federally Funded Research Centers and grantees for the purpose of performing research on manpower problems for statistical analyses.

u. To Defense contractors to monitor the employment of former DoD employees and uniformed service personnel subject to the provisions of 41 U.S.C. 423.

v. To the Bureau of the Census for the purposes of planning or carrying out a census survey or related activities pursuant to the provisions of section 6 of title 13 U.S.C.

w. To designated officers and employees of Federal, State, local, territorial, tribal, international, or foreign agencies in connection with the hiring or retention of an employee, the conduct of a suitability or security investigation, the letting of a contract, or the issuance of a license, grant or other benefit by the requesting agency, to the extent that the information is relevant and necessary to the requesting agency's decision on the matter and the Department deems appropriate.

x. To Federal and quasi Federal agencies, territorial, state and local governments, and contractors and grantees for the purpose of supporting research studies concerned with the health and well-being of active duty, reserve, and retired uniformed service personnel or veterans, to include family members. DMDC will disclose information from this system of records for research purposes when DMDC:

1. Determines the use or disclosure does not violate legal or policy limitations under which the record was provided, collected, or obtained;

2. Determines the research purpose (1) cannot be reasonably accomplished unless the record is provided in individually identifiable form, and (2) warrants the risk to the privacy of the individual that additional exposure of the record might bring;

3. Requires the recipient to (1) establish reasonable administrative, technical, and physical safeguards to prevent unauthorized use or disclosure of the record, and (2) remove or destroy the information that identifies the individual at the earliest time at which removal or destruction can be

accomplished consistent with the purpose of the research project, unless the recipient has presented adequate justification of a research or health nature for retaining such information, and (3) make no further use or disclosure of the record except (A) in emergency circumstances affecting the health or safety of any individual, (B) for use in another research project, under these same conditions, and with written authorization of the Department, (C) for disclosure to a properly identified person for the purpose of an audit related to the research project, if information that would enable research subjects to be identified is removed or destroyed at the earliest opportunity consistent with the purpose of the audit, or (D) when required by law;

4. Secures a written statement attesting to the recipients' understanding of, and willingness to abide by these provisions.

y. To the DHS for the conduct of studies related to the health and well-being of Coast Guard members and to authenticate and identify Coast Guard personnel.

z. To Federal and State agencies for purposes of obtaining socioeconomic information on uniformed service personnel so analytical studies can be conducted with a view to assess the present needs and future requirements of such personnel.

aa. To the Bureau of Citizenship and Immigration Services, DHS, for purposes of facilitating the verification of individuals who may be eligible for expedited naturalization (Pub. L. 108–136, Section 1701, and E.O. 13269, Expedited Naturalization).

bb. To Coast Guard recruiters in the performance of their assigned duties.

cc. To the Office of Personnel Management (OPM) for the purpose of addressing civilian pay and leave, benefits, retirement deduction, and any other information necessary for the OPM to carry out its legally authorized government-wide personnel management functions and studies.

dd. To the appropriate Federal, State, local, territorial, tribal, foreign, or international law enforcement authority or other appropriate entity where a record, either alone or in conjunction with other information, indicates a violation or potential violation of law, whether criminal, civil, or regulatory in nature.

ee. To any component of the Department of Justice for the purpose of representing the DoD, or its components, officers, employees, or members in pending or potential litigation to which the record is pertinent.

ff. In an appropriate proceeding before a court, grand jury, or administrative or adjudicative body or official, when the DoD or other Agency representing the DoD determines that the records are relevant and necessary to the proceeding; or in an appropriate proceeding before an administrative or adjudicative body when the adjudicator determines the records to be relevant to the proceeding.

gg. To the National Archives and Records Administration (NARA) for the purpose of records management inspections conducted under the authority of 44 U.S.C. 2904 and 2906.

hh. To a Member of Congress or staff acting upon the Member's behalf when the Member or staff requests the information on behalf of, and at the request of, the individual who is the subject of the record.

ii. To appropriate agencies, entities, and persons when (1) the DoD suspects or has confirmed that there has been a breach of the System of Records; (2) the DoD has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, the DoD (including its information systems, programs, and operations), the Federal Government, or national security; and (3) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with the DoD's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm

jj. To another Federal agency or Federal entity, when the DoD determines that information from this System of Records is reasonably necessary to assist the recipient agency or entity in (1) responding to a suspected or confirmed breach or (2) preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs and operations), the Federal Government, or national security, resulting from a suspected or confirmed breach.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

Records are stored on electronic storage media.

POLICIES AND PRACTICES FOR RETREIVAL OF RECORDS:

Individuals' records can be retrieved using a search algorithm utilizing with the primary identity traits: Personal identifier (*e.g.*, SSN, service number, foreign identification number, etc.), name, date of birth and gender; mailing address, telephone number, mother's maiden name and place of birth when

available. Individual information can be retrieved via the DoD ID Number or DoD Benefits Number; data retrievals may be done by biometrics (*i.e.*, fingerprints, photograph); data retrievals for generating address lists for direct mail distribution may be accomplished using selection criteria based on geographic and demographic keys; data retrievals may also be done utilizing audit information.

POLICES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

Hardcopy version of DD Form 1172-2: Destroy once written to optical disk. Optical disks: Destroy primary and backup copies after 5 years. The DEERS database is Permanent: Cut off (take a snapshot) at end of Fiscal Year and transfer to NARA in accordance with 36 CFR 1228.270 and 36 CFR 1234 Output records (electronic or paper summary reports) are deleted or destroyed when no longer needed for operational purposes. Note: This disposition instruction applies only to record keeping copies of the reports retained by DMDC. The DoD office requiring creation of the report should maintain its record keeping copy in accordance with NARA approved disposition instructions for such reports.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

Computerized records are maintained in a controlled area accessible only to authorized personnel. Entry to these areas is restricted to those personnel with a valid requirement and authorization to enter. Physical entry is restricted by the use of locks, guards, and administrative procedures (*e.g.*, fire protection regulations). Access to personal information is restricted to those requiring the records in the performance of their official duties, and to the individuals who are the subjects of the record or their authorized representatives. Access to personal information is further restricted by the use of Public Key Infrastructure or login/password authorization. All individuals granted access to this system of records require Information Assurance and Privacy Act training.

RECORD ACCESS PROCEDURES:

Individuals seeking access to information about themselves contained in this system should address written inquiries to the Office of the Secretary of Defense/Joint Staff Freedom of Information Act Requester Service Center, 1155 Defense Pentagon, Washington, DC 20301-1155. Signed written requests should contain the name and number of this system of

records notice along with the full name, identifier (*i.e.*, DoD ID number, DoD Benefits Number, or SSN), date of birth, current address, and telephone number of the individual. In addition, the requester must provide either a notarized statement or a declaration made in accordance with 28 U.S.C. 1746, using the following format:

If executed outside the United States: "I declare (or certify, verify, or state) under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on (date). (Signature)."

If executed within the United States, its territories, possessions, or commonwealths: "I declare (or certify, verify, or state) under penalty of perjury that the foregoing is true and correct. Executed on (date). (Signature)."

CONTESTING RECORD PROCEDURES:

The DoD rules for accessing records, contesting contents, and appealing initial agency determinations are published in 32 CFR part 310 or may be obtained from the system manager.

NOTIFICATION PROCEDURES:

Individuals seeking to determine whether information about themselves is contained in this system should address written inquiries to the Deputy Director, Defense Manpower Data Center, DoD Center Monterey Bay, 400 Gigling Road, Seaside, CA 93955-6771. Signed written requests should contain the full name, identifier (*i.e.*, DoD ID number, DoD Benefits Number, or SSN), date of birth, and current address and telephone number of the individual. In addition, the requester must provide either a notarized statement or a declaration made in accordance with 28 U.S.C. 1746, using the following format:

If executed outside the United States: "I declare (or certify, verify, or state) under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on (date). (Signature)."

If executed within the United States, its territories, possessions, or commonwealths: "I declare (or certify, verify, or state) under penalty of perjury that the foregoing is true and correct. Executed on (date). (Signature)."

EXEMPTIONS PROULGATED FOR THE SYSTEM:

None.

HISTORY:

July 27, 2016, 81 FR 49210.

[FR Doc. 2019-22556 Filed 10-15-19; 8:45 am]

BILLING CODE 5001-06-P

DEPARTMENT OF EDUCATION**National Assessment Governing Board****Meeting**

AGENCY: National Assessment Governing Board, U.S. Department of Education.

ACTION: Announcement of a closed teleconference meeting.

SUMMARY: This notice sets forth the agenda for an October 28, 2019 closed teleconference meeting of the National Assessment Governing Board (hereafter referred to as Governing Board).

DATES: October 28, 2019 from 4:00 p.m. to 5:30 p.m. Eastern Standard Time.

ADDRESSES: Teleconference Meeting.

FOR FURTHER INFORMATION CONTACT: Munira Mwalimu, Executive Officer/ Designated Federal Official for the Governing Board, 800 North Capitol Street NW, Suite 825, Washington, DC 20002, telephone: (202) 357-6938, fax: (202) 357-6945, email: Munira.Mwalimu@ed.gov.

SUPPLEMENTARY INFORMATION:

Statutory Authority and Function: The Governing Board is established under the National Assessment of Educational Progress Authorization Act, Title III of Public Law 107-279. The Governing Board is established to formulate policy for NAEP administered by the National Center for Education Statistics (NCES). The Governing Board's responsibilities include the following: Selecting subject areas to be assessed, developing assessment frameworks and specifications, developing appropriate student achievement levels for each grade and subject tested, developing standards and procedures for interstate and national comparisons, improving the form and use of NAEP, developing guidelines for reporting and disseminating results, and releasing initial NAEP results to the public. Governing Board members serve 4-year terms, subject to renewal for another 4 years, at the discretion of the Secretary of Education.

Meeting Agenda

Members of the Governing Board will review applications received for Governing Board vacancies in the following categories for the 2019 term:

1. General public representative
2. Twelfth Grade Teacher

Following discussion, the Governing Board will take action on a recommended slate of finalists for submission to the Secretary of Education for consideration and appointment.

Members of the public will have an opportunity to provide written feedback on the closed teleconference meeting in advance of the call at nagbnominations@ed.gov, with the email subject header titled "Teleconference Feedback on Nominations." Comments must be received no later than 12:00 p.m. EST on October 21, 2019.

Notice of the meeting is required under § 10(a)(2) of the Federal Advisory Committee Act (FACA). The discussion during the teleconference pertains solely to internal personnel rules and practices of an agency and information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy. As such, the discussions are protected by exemptions 2 and 6 of § 552b(c) of Title 5 of the United States Code.

Access to Records of the Meeting: Pursuant to FACA requirements, the public may inspect the closed meeting report of the teleconference at the National Assessment Governing Board office, 10 working days after the teleconference meeting.

Reasonable Accommodations: The NAGB website is accessible to individuals with disabilities. Written comments may be submitted electronically or in hard copy to the attention of the Executive Officer/ Designated Federal Official (see contact information noted above). Information on the Governing Board and its work can be found at www.nagb.gov.

Electronic Access to This Document: The official version of this document is the document published in the **Federal Register**. 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 Adobe website. 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.

Authority: Pub. L. 107-279, Title III—National Assessment of Educational Progress § 301.

Lesley Muldoon,

Executive Director, National Assessment Governing Board (NAGB), U.S. Department of Education.

[FR Doc. 2019-22509 Filed 10-15-19; 8:45 am]

BILLING CODE P

DEPARTMENT OF EDUCATION

[Docket No.: ED-2019-ICCD-0095]

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request; Application for the Rural Education Achievement Program (REAP)

AGENCY: Department of Education (ED), Office of Elementary and Secondary Education (OESE).

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, ED is proposing an extension of an existing information collection.

DATES: Interested persons are invited to submit comments on or before November 15, 2019.

ADDRESSES: To access and review all the documents related to the information collection listed in this notice, please use <http://www.regulations.gov> by searching the Docket ID number ED-2019-ICCD-0095. Comments submitted in response to this notice should be submitted electronically through the Federal eRulemaking Portal at <http://www.regulations.gov> by selecting the Docket ID number or via postal mail, commercial delivery, or hand delivery. If the [regulations.gov](http://www.regulations.gov) site is not available to the public for any reason, ED will temporarily accept comments at ICDocketMgr@ed.gov. Please include the docket ID number and the title of the information collection request when requesting documents or submitting comments. *Please note that comments submitted by fax or email and those submitted after the comment period will not be accepted.* Written requests for information or comments submitted by postal mail or delivery should be addressed to the Director of the Information Collection Clearance Division, U.S. Department of Education, 550 12th Street SW, PCP, Room 9086, Washington, DC 20202-0023.

FOR FURTHER INFORMATION CONTACT: For specific questions related to collection activities, please contact Eric Schulz, 202-260-7349.

SUPPLEMENTARY INFORMATION: The Department of Education (ED), in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)), provides the general public and Federal agencies with an opportunity to comment on proposed, revised, and continuing collections of information. This helps the Department assess the impact of its information collection requirements and minimize the public's reporting burden. It also helps the public understand the Department's information collection requirements and provide the requested data in the desired format. ED is soliciting comments on the proposed information collection request (ICR) that is described below. The Department of Education is especially interested in public comment addressing the following issues: (1) Is this collection necessary to the proper functions of the Department; (2) will this information be processed and used in a timely manner; (3) is the estimate of burden accurate; (4) how might the Department enhance the quality, utility, and clarity of the information to be collected; and (5) how might the Department minimize the burden of this collection on the respondents, including through the use of information technology. Please note that written comments received in response to this notice will be considered public records.

Title of Collection: Application for the Rural Education Achievement Program (REAP).

OMB Control Number: 1810-0646.

Type of Review: An extension of an existing information collection.

Respondents/Affected Public: State, Local, and Tribal Governments.

Total Estimated Number of Annual Responses: 6,049.

Total Estimated Number of Annual Burden Hours: 20,683.

Abstract: The U.S. Department of Education (the Department) administers the Small, Rural School Achievement (SRSA) program (authorized under sections 5211-5212 of the Elementary and Secondary Education Act of 1965 (ESEA)) and the Rural and Low-Income School (RLIS) program (authorized under ESEA section 5221). In order to make grant awards to eligible SRSA and RLIS entities, the Department must collect information from State and local educational agencies. The information collected is used to determine the eligibility of individual LEAs and calculate the allocation each eligible LEA should receive according to formulas prescribed in the ESEA.

Dated: October 10, 2019.

Kate Mullan,

PRA Coordinator, Information Collection Clearance Program, Information Management Branch, Office of the Chief Information Officer.

[FR Doc. 2019-22541 Filed 10-15-19; 8:45 am]

BILLING CODE 4000-01-P

DEPARTMENT OF EDUCATION

[Docket No. ED-2019-ICCD-0128]

Agency Information Collection Activities; Comment Request; State Education Agency, Local Educational Agency, and School Data Collection and Reporting under ESEA, Title I, Part A

AGENCY: Department of Education (ED), Office of Elementary and Secondary Education (OESE).

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, ED is proposing a revision of an existing information collection.

DATES: Interested persons are invited to submit comments on or before December 16, 2019.

ADDRESSES: To access and review all the documents related to the information collection listed in this notice, please use <http://www.regulations.gov> by searching the Docket ID number ED-2019-ICCD-0128. Comments submitted in response to this notice should be submitted electronically through the Federal eRulemaking Portal at <http://www.regulations.gov> by selecting the Docket ID number or via postal mail, commercial delivery, or hand delivery. If the www.regulations.gov site is not available to the public for any reason, ED will temporarily accept comments at ICDocketMgr@ed.gov. Please include the docket ID number and the title of the information collection request when requesting documents or submitting comments. *Please note that comments submitted by fax or email and those submitted after the comment period will not be accepted.* Written requests for information or comments submitted by postal mail or delivery should be addressed to the Director of the Information Collection Clearance Division, U.S. Department of Education, 550 12th Street SW, PCP, Room 9086, Washington, DC 20202-0023.

FOR FURTHER INFORMATION CONTACT: For specific questions related to collection activities, please contact Evan Skloot, 202-453-6515.

SUPPLEMENTARY INFORMATION: The Department of Education (ED), in

accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)), provides the general public and Federal agencies with an opportunity to comment on proposed, revised, and continuing collections of information. This helps the Department assess the impact of its information collection requirements and minimize the public's reporting burden. It also helps the public understand the Department's information collection requirements and provide the requested data in the desired format. ED is soliciting comments on the proposed information collection request (ICR) that is described below. The Department of Education is especially interested in public comment addressing the following issues: (1) Is this collection necessary to the proper functions of the Department; (2) will this information be processed and used in a timely manner; (3) is the estimate of burden accurate; (4) how might the Department enhance the quality, utility, and clarity of the information to be collected; and (5) how might the Department minimize the burden of this collection on the respondents, including through the use of information technology. Please note that written comments received in response to this notice will be considered public records.

Title of Collection: State Education Agency, Local Educational Agency, and School Data Collection and Reporting under ESEA, Title I, Part A.

OMB Control Number: 1810-0581.

Type of Review: A revision of an existing information collection.

Respondents/Affected Public: State, Local, and Tribal Governments.

Total Estimated Number of Annual Responses: 17,022.

Total Estimated Number of Annual Burden Hours: 293,152.

Abstract: Title I, Part A (Title I) of the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act of 2015 (ESSA), contains several provisions that require State education agencies (SEAs), local educational agencies (LEAs), and schools to collect and disseminate information. The Paperwork Reduction Act (PRA) covers these activities. The previous authorization of the ESEA contained information collection requirements which are currently approved by OMB under control number 1810-0581.

Congress approved a joint resolution on March 9, 2017 disapproving the U.S. Department of Education's (Department's) regulations related to State plans, statewide accountability systems, and data reporting. The burden changes reflected in this revision

renewal data collection are a result of this joint resolution and reflect only the requirements of the statute. The requirement to produce a State and LEA report card remains unchanged under this revision renewal and most of the work to produce the report cards is the same. There are some requirements that were in the regulations that are not required due to the joint resolution. As a result, the burden estimate is slightly lower under this revision renewal.

SEAs, LEAs, and schools collect and disseminate the information to carry out the reporting requirements of Title I of the ESEA. The information is used to facilitate compliance with statutory requirements and to provide information to school communities (including parents), LEAs, SEAs and the Department regarding activities required under Title I of the ESEA.

Dated: October 10, 2019.

Kate Mullan,

PRA Coordinator, Information Collection Clearance Program, Information Management Branch, Office of the Chief Information Officer.

[FR Doc. 2019-22514 Filed 10-15-19; 8:45 am]

BILLING CODE 4000-01-P

DEPARTMENT OF EDUCATION

[Docket No.: ED-2019-ICCD-0129]

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request; Progress in International Reading Literacy Study (PIRLS 2021) Main Study Recruitment and Field Test

AGENCY: Department of Education (ED), National Center for Education Statistics (NCES)

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, ED is proposing a revision of an existing information collection.

DATES: Interested persons are invited to submit comments on or before November 15, 2019.

ADDRESSES: To access and review all the documents related to the information collection listed in this notice, please use <http://www.regulations.gov> by searching the Docket ID number ED-2019-ICCD-0129. Comments submitted in response to this notice should be submitted electronically through the Federal eRulemaking Portal at <http://www.regulations.gov> by selecting the Docket ID number or via postal mail, commercial delivery, or hand delivery. If the [regulations.gov](http://www.regulations.gov) site is not

available to the public for any reason, ED will temporarily accept comments at ICDocketMgr@ed.gov. Please include the docket ID number and the title of the information collection request when requesting documents or submitting comments. *Please note that comments submitted by fax or email and those submitted after the comment period will not be accepted.* Written requests for information or comments submitted by postal mail or delivery should be addressed to the Director of the Information Collection Clearance Division, U.S. Department of Education, 550 12th Street SW, PCP, Room 9089, Washington, DC 20202-0023.

FOR FURTHER INFORMATION CONTACT: For specific questions related to collection activities, please contact Kashka Kubzdela, 202-245-7377 or email NCES.Information.Collections@ed.gov.

SUPPLEMENTARY INFORMATION: The Department of Education (ED), in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)), provides the general public and Federal agencies with an opportunity to comment on proposed, revised, and continuing collections of information. This helps the Department assess the impact of its information collection requirements and minimize the public's reporting burden. It also helps the public understand the Department's information collection requirements and provide the requested data in the desired format. ED is soliciting comments on the proposed information collection request (ICR) that is described below. The Department of Education is especially interested in public comment addressing the following issues: (1) Is this collection necessary to the proper functions of the Department; (2) will this information be processed and used in a timely manner; (3) is the estimate of burden accurate; (4) how might the Department enhance the quality, utility, and clarity of the information to be collected; and (5) how might the Department minimize the burden of this collection on the respondents, including through the use of information technology. Please note that written comments received in response to this notice will be considered public records.

Title of Collection: Progress in International Reading Literacy Study (PIRLS 2021) Main Study Recruitment and Field Test

OMB Control Number: 1850-0645

Type of Review: A revision of an existing information collection

Respondents/Affected Public: Individuals or Households

Total Estimated Number of Annual Responses: 14,778

Total Estimated Number of Annual Burden Hours: 3,692

Abstract: The Progress in International Reading Literacy Study (PIRLS) is an international assessment of fourth-grade students' achievement in reading. PIRLS reports on four benchmarks in reading achievement at grade 4 and on a variety of issues related to the education context for the students in the sample, including instructional practices, school resources, curriculum implementation, and learning supports outside of school. Since its inception in 2001, PIRLS has continued to assess students every 5 years (2001, 2006, 2011, and 2016), with the next PIRLS assessment, PIRLS 2021, being the fifth iteration of the study. Participation in this study by the United States at regular intervals provides data on student achievement and on current and past education policies and a comparison of U.S. education policies and student performance with those of the U.S. international counterparts. In PIRLS 2016, 58 education systems participated. The United States will participate in PIRLS 2021 to continue to monitor the progress of its students compared to that of other nations and to provide data on factors that may influence student achievement. PIRLS is coordinated by the International Association for the Evaluation of Educational Achievement (IEA), an international collective of research organizations and government agencies that create the assessment framework, the assessment instrument, and background questionnaires. The IEA decides and agrees upon a common set of standards and procedures for collecting and reporting PIRLS data, and defines the studies' timeline, all of which must be followed by all participating countries. As a result, PIRLS is able to provide a reliable and comparable measure of student skills in participating countries. In the U.S., the National Center for Education Statistics (NCES) conducts this study. In preparation for the PIRLS 2021 main study, all countries are asked to implement a field test in 2020. The purpose of the PIRLS field test is to evaluate new assessment items and background questions, to ensure practices that promote low exclusion rates, and to ensure that classroom and student sampling procedures proposed for the main study are successful. Data collection for the field test in the U.S. will occur from March through April 2020 and for the main study from March through June 2021. The submission describing the overarching plan for all

phases of the data collection, including the 2021 main study, and requesting approval for all activities, materials, and response burden related to the field test recruitment was approved in April 2019 with a change request in September 2019 (OMB# 1850-0645 v.11-12). This request is to conduct all aspects of the field test and recruitment for the main study and, due to overlap in timing, carries over the approved respondent burden, procedures, and materials related to the PIRLS 2021 Field Test recruitment.

Dated: October 10, 2019

Kathy Axt,

PRA Coordinator, Information Collection Clearance Program, Information Management Branch, Office of the Chief Information Officer.

[FR Doc. 2019-22543 Filed 10-15-19; 8:45 am]

BILLING CODE 4000-01-P

DEPARTMENT OF EDUCATION

[Docket No. ED-2019-ICCD-0130]

Agency Information Collection Activities; Comment Request; Institutional Disclosures for Distance Education or Correspondence Programs

AGENCY: Federal Student Aid (FSA), Department of Education (ED).

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, ED is proposing an extension of an existing information collection.

DATES: Interested persons are invited to submit comments on or before December 16, 2019.

ADDRESSES: To access and review all the documents related to the information collection listed in this notice, please use <http://www.regulations.gov> by searching the Docket ID number ED-2019-ICCD-0130. Comments submitted in response to this notice should be submitted electronically through the Federal eRulemaking Portal at <http://www.regulations.gov> by selecting the Docket ID number or via postal mail, commercial delivery, or hand delivery. If the regulations.gov site is not available to the public for any reason, ED will temporarily accept comments at ICDocketMgr@ed.gov. Please include the docket ID number and the title of the information collection request when requesting documents or submitting comments. *Please note that comments submitted by fax or email and those submitted after the comment period will not be accepted.* Written requests for information or comments submitted by

postal mail or delivery should be addressed to the Director of the Information Collection Clearance Division, U.S. Department of Education, 550 12th Street SW, PCP, Room 9086, Washington, DC 20202-0023.

FOR FURTHER INFORMATION CONTACT: For specific questions related to collection activities, please contact Beth Grebeldinger, 202-377-4018.

SUPPLEMENTARY INFORMATION: The Department of Education (ED), in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)), provides the general public and Federal agencies with an opportunity to comment on proposed, revised, and continuing collections of information. This helps the Department assess the impact of its information collection requirements and minimize the public's reporting burden. It also helps the public understand the Department's information collection requirements and provide the requested data in the desired format. ED is soliciting comments on the proposed information collection request (ICR) that is described below. The Department of Education is especially interested in public comment addressing the following issues: (1) Is this collection necessary to the proper functions of the Department; (2) will this information be processed and used in a timely manner; (3) is the estimate of burden accurate; (4) how might the Department enhance the quality, utility, and clarity of the information to be collected; and (5) how might the Department minimize the burden of this collection on the respondents, including through the use of information technology. Please note that written comments received in response to this notice will be considered public records.

Title of Collection: Institutional Disclosures for Distance Education or Correspondence Programs.

OMB Control Number: 1845-0145.

Type of Review: An extension of an existing information collection.

Respondents/Affected Public: State, Local, and Tribal Governments; Private Sector.

Total Estimated Number of Annual Responses: 3,588.

Total Estimated Number of Annual Burden Hours: 152,405.

Abstract: The Department of Education (Department) requests an extension without change to the information collection tied to 34 CFR part 668.50 requiring institutional disclosures for distance education and correspondence courses. This regulatory action establishes requirements for institutional disclosures to prospective

and enrolled students in programs offered solely through distance education or correspondence courses, which the Department believes will protect students by providing them with important information that may influence their attendance in distance education programs or correspondence courses as well as improve the efficacy of State-based consumer protections for students. Since distance education may involve multiple States, institutional and program authorization requirements among States may differ, and students may be unfamiliar with or fail to receive information about complaint processes, licensure requirements, or other requirements of authorities in States in which they do not reside.

The final regulations, based on the 2019 negotiated rulemaking, will rescind the requirements of § 668.50 in its entirety. While the Secretary is exercising her authority to allow for early implementation of the rescission of this section, the final rule and the rescission will not fully take place until July 1, 2020. The Department is asking to extend the current burden assessment until the effective date of the change and at that time a discontinuation request will be filed.

Dated: October 10, 2019.

Kate Mullan,

PRA Coordinator, Information Collection Clearance Program, Information Management Branch, Office of the Chief Information Officer.

[FR Doc. 2019-22549 Filed 10-15-19; 8:45 am]

BILLING CODE 4000-01-P

DEPARTMENT OF EDUCATION

[Docket No. ED-2019-ICCD-0094]

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and approval; Comment Request; HEAL Program: Physician's Certification of Borrower's Total and Permanent Disability

AGENCY: Federal Student Aid (FSA), Department of Education (ED).

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, ED is proposing an extension of an existing information collection.

DATES: Interested persons are invited to submit comments on or before November 15, 2019.

ADDRESSES: To access and review all the documents related to the information collection listed in this notice, please use <http://www.regulations.gov> by

searching the Docket ID number ED–2019–ICCD–0094. Comments submitted in response to this notice should be submitted electronically through the Federal eRulemaking Portal at <http://www.regulations.gov> by selecting the Docket ID number or via postal mail, commercial delivery, or hand delivery. If the *regulations.gov* site is not available to the public for any reason, ED will temporarily accept comments at ICDocketMgr@ed.gov. Please include the docket ID number and the title of the information collection request when requesting documents or submitting comments. *Please note that comments submitted by fax or email and those submitted after the comment period will not be accepted.* Written requests for information or comments submitted by postal mail or delivery should be addressed to the Director of the Information Collection Clearance Division, U.S. Department of Education, 550 12th Street SW, PCP, Room 9086, Washington, DC 20202–0023.

FOR FURTHER INFORMATION CONTACT: For specific questions related to collection activities, please contact Beth Grebeldinger, 202–377–4018.

SUPPLEMENTARY INFORMATION: The Department of Education (ED), in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)), provides the general public and Federal agencies with an opportunity to comment on proposed, revised, and continuing collections of information. This helps the Department assess the impact of its information collection requirements and minimize the public's reporting burden. It also helps the public understand the Department's information collection requirements and provide the requested data in the desired format. ED is soliciting comments on the proposed information collection request (ICR) that is described below. The Department of Education is especially interested in public comment addressing the following issues: (1) Is this collection necessary to the proper functions of the Department; (2) will this information be processed and used in a timely manner; (3) is the estimate of burden accurate; (4) how might the Department enhance the quality, utility, and clarity of the information to be collected; and (5) how might the Department minimize the burden of this collection on the respondents, including through the use of information technology. Please note that written comments received in response to this notice will be considered public records.

Title of Collection: HEAL Program: Physician's Certification of Borrower's Total and Permanent Disability.

OMB Control Number: 1845–0124.

Type of Review: An extension of an existing information collection.

Respondents/Affected Public: Individuals or Households; State, Local, and Tribal Governments.

Total Estimated Number of Annual Responses: 78.

Total Estimated Number of Annual Burden Hours: 20.

Abstract: This is a request for an extension of OMB approval of information collection requirements associated with the form for the Health Education Assistance Loan (HEAL) Program, Physician's Certification of Borrower's Total and Permanent Disability currently approved under OMB No. 1845–0124. The form is HEAL Form 539. A borrower and the borrower's physician must complete this form. The borrower then submits the form and additional information to the lending institution (or current holder of the loan) who in turn forwards the form and additional information to the Secretary for consideration of discharge of the borrower's HEAL loans. The form provides a uniform format for borrowers and lenders to use when submitting a disability claim.

Dated: October 10, 2019.

Kate Mullan,

PRA Coordinator, Information Collection Clearance Program, Information Management Branch, Office of the Chief Information Officer.

[FR Doc. 2019–22510 Filed 10–15–19; 8:45 am]

BILLING CODE 4000–01–P

DEPARTMENT OF EDUCATION

[Docket No. ED–2019–ICCD–0064]

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request; 7–OB Annual Performance Report for the Independent Living Services for Older Individuals Who Are Blind Program

AGENCY: Office of Special Education and Rehabilitative Services. (OSERS), Department of Education (ED).

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, ED is proposing a revision of an existing information collection.

DATES: Interested persons are invited to submit comments on or before November 15, 2019.

ADDRESSES: To access and review all the documents related to the information

collection listed in this notice, please use <http://www.regulations.gov> by searching the Docket ID number ED–2019–ICCD–0064. Comments submitted in response to this notice should be submitted electronically through the Federal eRulemaking Portal at <http://www.regulations.gov> by selecting the Docket ID number or via postal mail, commercial delivery, or hand delivery. If the *regulations.gov* site is not available to the public for any reason, ED will temporarily accept comments at ICDocketMgr@ed.gov. Please include the docket ID number and the title of the information collection request when requesting documents or submitting comments. *Please note that comments submitted by fax or email and those submitted after the comment period will not be accepted.* Written requests for information or comments submitted by postal mail or delivery should be addressed to the Director of the Information Collection Clearance Division, U.S. Department of Education, 550 12th Street SW, PCP, Room 9086, Washington, DC 20202–0023.

FOR FURTHER INFORMATION CONTACT: For specific questions related to collection activities, please contact James Billy, 202–245–7273.

SUPPLEMENTARY INFORMATION: The Department of Education (ED), in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)), provides the general public and Federal agencies with an opportunity to comment on proposed, revised, and continuing collections of information. This helps the Department assess the impact of its information collection requirements and minimize the public's reporting burden. It also helps the public understand the Department's information collection requirements and provide the requested data in the desired format. ED is soliciting comments on the proposed information collection request (ICR) that is described below. The Department of Education is especially interested in public comment addressing the following issues: (1) Is this collection necessary to the proper functions of the Department; (2) will this information be processed and used in a timely manner; (3) is the estimate of burden accurate; (4) how might the Department enhance the quality, utility, and clarity of the information to be collected; and (5) how might the Department minimize the burden of this collection on the respondents, including through the use of information technology. Please note that written comments received in response to this notice will be considered public records.

Title of Collection: 7–OB Annual Performance Report for the Independent Living Services for Older Individuals who are Blind Program.

OMB Control Number: 1820–0608.

Type of Review: A revision of an existing information collection.

Respondents/Affected Public: State, Local, and Tribal Governments.

Total Estimated Number of Annual Responses: 56.

Total Estimated Number of Annual Burden Hours: 280.

Abstract: The Rehabilitation Services Administration (RSA) uses this form to meet the specific data collection requirements of Section 752 of the Rehabilitation Act, as amended by the Workforce Innovation and Opportunity Act (WIOA) and implementing regulations at 34 CFR 367.31(c). Each Designated State Agency (DSA) that administers the Independent Living Services for Older Individuals Who Are Blind (IL–OIB) program is required to submit the Rehabilitation Services Administration –7– Older Blind (RSA–7–OB) report annually to the RSA Commissioner on or before December 30. The revisions to the currently approved form and instructions include the removal of duplicative and confusing data elements as well as those not specifically required by statute or used for statutorily required activities.

Dated: October 10, 2019.

Kate Mullan,

PRA Coordinator, Information Collection Clearance Program, Information Management Branch, Office of the Chief Information Officer.

[FR Doc. 2019–22513 Filed 10–15–19; 8:45 am]

BILLING CODE 4000–01–P

DATES: The public meeting will be held on Wednesday, October 16, 2019 from 1:00 p.m. to 5:00 p.m. EST.

ADDRESSES: The public meeting will be held at the U.S. Department of Energy (DOE), 1000 Independence Avenue SW, Room 4A–104, Washington, DC 20585; and via Webex. Meeting call-in number: (415) 527–5035; Access Code: 909–426–841#; Webex link: <https://doe.webex.com/doi/j.php?MTID=me29f2fb4aab82433e875a3b209c81de0>.

FOR FURTHER INFORMATION CONTACT:

Questions may be directed to: Evan Frye by email at Evan.Frye@hq.doe.gov, or by postal mail addressed to U.S.

Department of Energy, 1000 Independence Avenue SW, Mail Stop FE–32.2, Washington, DC 20585.

Telephone: (202) 586–5600.

SUPPLEMENTARY INFORMATION:

The meeting is open to the public. Participation via Webex is encouraged due to limited seating in the meeting room. DOE's Forrestal Building is a secured and controlled facility and entry requires obtaining a visitor's badge at the reception desk. Please direct all media inquiries to the Office of Fossil Energy Public Affairs Officer at 1–202–586–6660.

Those planning to attend the meeting are required to register at the event website: <https://events.eventzilla.net/e/beneficial-reuse-options-for-used-lubricating-oil-2138760918>.

Signed in Washington, DC, on October 8, 2019.

Steven E. Winberg,

Assistant Secretary, Office of Fossil Energy.

[FR Doc. 2019–22536 Filed 10–15–19; 8:45 am]

BILLING CODE 6450–01–P

in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant.

Notice is hereby given that the deadline for filing protests with regard to the applicant's request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability, is October 29, 2019.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at <http://www.ferc.gov>. To facilitate electronic service, persons with internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

The filings in the above-referenced proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for electronic review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the website that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email FERCOnlineSupport@ferc.gov, or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: October 9, 2019.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2019–22529 Filed 10–15–19; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Notice of Meeting on Beneficial Reuse Options for Used Lubricating Oil

AGENCY: Office of Oil and Natural Gas, Office of Fossil Energy, U.S. Department of Energy.

ACTION: Notice of public meeting.

SUMMARY: The Office of Oil and Natural Gas will host a meeting on the subject of beneficial reuse options for used lubricating oil, including ways to increase the responsible collection and use of used oil (current and future use options); disseminate public information concerning sustainable reuse options for used oil; and promote sustainable reuse of used oil by Federal agencies, recipients of Federal grant funds, entities contracting with the Federal Government, and the general public.

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER20–59–000]

Supplemental Notice That Initial Market-Based Rate Filing Includes Request for Blanket Section 204 Authorization; AZ Solar 1, LLC

This is a supplemental notice in the above-referenced proceeding of AZ Solar 1, LLC's application for market-based rate authority, with an accompanying rate tariff, noting that such application includes a request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability.

Any person desiring to intervene or to protest should file with the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426,

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

Filings Instituting Proceedings

Docket Numbers: RP20–45–000.

Applicants: Algonquin Gas Transmission, LLC.

Description: § 4(d) Rate Filing: Negotiated Rate—Keyspan 510369 to BUG 799989 eff 11–1–19 to be effective 11/1/2019.

Filed Date: 10/7/19.

Accession Number: 20191007–5099.

Comments Due: 5 p.m. ET 10/21/19.

Docket Numbers: RP20–46–000.

Applicants: Peninsula Energy Services Company Inc, NJR Energy Services Company.

Description: Joint Petition for Temporary Waiver of Commission Policies, Capacity Release Regulations and Policies, et al. of Peninsula Energy Services Company Inc., et al. under RP20–46.

Filed Date: 10/7/19.

Accession Number: 20191007–5152.

Comments Due: 5 p.m. ET 10/15/19.

The filings are accessible in the Commission’s eLibrary system by clicking on the links or querying the docket number.

Any person desiring to intervene or protest in any of the above proceedings must file in accordance with Rules 211 and 214 of the Commission’s Regulations (18 CFR 385.211 and 385.214) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: October 8, 2019.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2019–22520 Filed 10–15–19; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. AD19–6–000]

Notice of Availability of the Final Guidance for Horizontal Directional Drill Monitoring, Inadvertent Return Response, and Contingency Plans

The staff of the Federal Energy Regulatory Commission’s (FERC or Commission) Office of Energy Projects has finalized its *Guidance for Horizontal Directional Drill Monitoring, Inadvertent Return Response, and Contingency Plans* (HDD Guidance), which was issued in draft form on October 26, 2018 for comment. The draft HDD Guidance has been revised to address substantive comments received.

The HDD Guidance can be found in Docket Number AD19–6–000. The HDD Guidance can also be viewed on the Commission’s website at <http://www.ferc.gov/industries/gas/enviro/guidelines.asp>.

The HDD Guidance is intended to assist the industry with preparation of their project HDD plans for FERC staff review. This guidance does not substitute for, amend, or supersede the Commission’s regulations under the Natural Gas Act of 1938 or the Commission’s and Council on Environmental Quality’s regulations under the National Environmental Policy Act. It imposes no new legal obligations and grants no additional rights.

In response to the draft HDD Guidance, Commission staff received comments from 15 entities including natural gas pipeline companies, engineering consulting firms, trade organizations, environmental interest groups, and state environmental departments. Staff reviewed and considered each comment and modified several portions of the document in response. Staff declined to modify the document where comments either were too location-specific, were already adequately/accurately addressed as written, or regarded topics that were not relevant to the HDD Guidance.

All of the information related to the HDD Guidance and submitted comments can be found on the FERC

website (www.ferc.gov) using the eLibrary link. Click on the eLibrary link, click on Docket Search and in the Docket Number field enter the docket number excluding the last three digits (AD19–6). For assistance, please contact FERC Online Support at FercOnlineSupport@ferc.gov or toll free at (866) 208–3676, or for TTY, contact (202) 502–8659. The eLibrary link also provides access to formal documents issued by the Commission, such as orders, notices, and rulemakings.

Dated: October 9, 2019.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2019–22523 Filed 10–15–19; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Sunshine Act Meeting Notice

The following notice of meeting is published pursuant to section 3(a) of the government in the Sunshine Act (Pub. L. 94–409), 5 U.S.C. 552b:

AGENCY HOLDING MEETING: Federal Energy Regulatory Commission

DATE AND TIME: October 17, 2019, 10:00 a.m.

PLACE: Room 2C, 888 First Street NE, Washington, DC 20426.

STATUS: Open.

MATTERS TO BE CONSIDERED: Agenda * *Note*—items listed on the agenda may be deleted without further notice.

CONTACT PERSON FOR MORE INFORMATION: Kimberly D. Bose, Secretary, Telephone (202) 502–8400.

For a recorded message listing items struck from or added to the meeting, call (202) 502–8627.

This is a list of matters to be considered by the Commission. It does not include a listing of all documents relevant to the items on the agenda. All public documents, however, may be viewed on line at the Commission’s website at <http://ferc.capitolconnection.org/> using the eLibrary link, or may be examined in the Commission’s Public Reference Room.

1060TH—MEETING, OPEN MEETING

[October 17, 2019, 10:00 a.m.]

Item No.	Docket No.	Company
ADMINISTRATIVE		
A–1	AD20–1–000	Agency Administrative Matters.

1060TH—MEETING, OPEN MEETING—Continued

[October 17, 2019, 10:00 a.m.]

Item No.	Docket No.	Company
A-2	AD20-2-000	Customer Matters, Reliability, Security and Market Operations. Winter 2019-2020 Energy Market Assessment.
A-3	AD06-3-000	
ELECTRIC		
E-1	ER19-460-000	Southwest Power Pool, Inc.
	ER19-460-001	
	ER19-460-002	
	ER19-460-003	
	EL19-101-000	
E-2	ER19-469-000	PJM Interconnection, L.L.C.
	ER19-469-001	
	EL19-100-000	
E-3	EL19-90-000	ISO New England Inc. PJM Interconnection, L.L.C. Southwest Power Pool, Inc.
	EL19-91-000	
	EL19-92-000	
E-4	RR19-8-000	North American Electric Reliability Corporation.
E-5	OMITTED.	
E-6	EC19-99-000	Empire Generating Co, LLC.
E-7	ER19-1661-000	PJM Interconnection, L.L.C. and Virginia Electric and Power Company.
	ER19-1661-001	
E-8	ER19-1357-000	GridLiance High Plains LLC.
	ER18-2358-001 (consolidated)	Southwest Power Pool, Inc.
E-9	ER10-2564-009	Tucson Electric Power Company.
	ER10-2600-009	UNS Electric, Inc.
	ER10-2289-009	UniSource Energy Development Company.
	EL19-44-000	
E-10	ER18-1953-003	Gulf Power Company.
E-11	ER18-1418-001	Westar Energy, Inc.
E-12	ER17-801-004	Constellation Power Source Generation, LLC.
	ER17-802-003	Exelon Generation Company, LLC.
	ER17-803-002 (not consolidated)	Handsome Lake Energy, LLC.
E-13	ER18-2362-001	NTE Ohio, LLC.
E-14	EL19-81-000	Nevada Hydro Company, Inc. v. California Independent System Operator Corporation.
E-15	OMITTED.	
E-16	ER17-2201-001	Exelon Fitzpatrick, LLC.
E-17	ER17-1198-002	Ameren Illinois Company.
E-18	ER18-1899-004	Midcontinent Independent System Operator, Inc.
E-19	ER18-136-004	Midcontinent Independent System Operator, Inc.
	ER18-137-004	PJM Interconnection, L.L.C.
E-20	ER18-1730-001	PJM Interconnection, L.L.C.
E-21	ER19-945-001	PJM Interconnection, L.L.C.
E-22	EL18-203-001	Owensboro Municipal Utilities v. Louisville Gas and Electric Company and Kentucky Utilities Company.
E-23	OMITTED.	
E-24	EL18-177-001	CXA La Paloma, LLC v. California Independent System Operator Corporation.
E-25	EL18-61-000	Public Citizen, Inc. v. PJM Interconnection, L.L.C.
E-26	EL14-37-000	PJM Interconnection, L.L.C.

GAS

G-1	PR19-42-000	Arkansas Oklahoma Gas Corporation.
G-2	RP19-420-000	Wyoming Interstate Company, L.L.C.
G-3	RP19-395-000	Natural Gas Pipeline Company of America LLC.
G-4	RP19-352-004	Sea Robin Pipeline Company, LLC.
G-5	RP19-872-001	RRI Energy Services, LLC.; Morgan Stanley Capital Group Inc.
G-6	OR18-7-001	Epsilon Trading, LLC, Chevron Products Company, and Valero Marketing and Supply Company v. Colonial Pipeline Company.
	OR18-12-001	BP Products North America, Inc., Trafigura Trading LLC and TCPU, Inc. v. Colonial Pipeline Company.
	OR18-17-001	TransMontaigne Product Services LLC v. Colonial Pipeline Company.
	OR18-21-001 (consolidated)	CITGO Petroleum Corporation v. Colonial Pipeline Company.

HYDRO

H-1	PL20-1-000	Revision to Policy Statement on Consultation with Indian Tribes in Commission Proceedings.
H-2	P-14983-000	Tomlin Energy LLC.

1060TH—MEETING, OPEN MEETING—Continued

[October 17, 2019, 10:00 a.m.]

Item No.	Docket No.	Company
H-3	P-2079-081	Placer County Water Agency.

CERTIFICATES

C-1	CP19-52-000	Natural Gas Pipeline Company of America LLC.
C-2	CP18-186-000	Transcontinental Gas Pipe Line Company, LLC.

Issued: October 10, 2019.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

A free webcast of this event is available through <http://ferc.capitolconnection.org/>. Anyone with internet access who desires to view this event can do so by navigating to www.ferc.gov's Calendar of Events and locating this event in the Calendar. The event will contain a link to its webcast. The Capitol Connection provides technical support for the free webcasts. It also offers access to this event via television in the DC area and via phone bridge for a fee. If you have any questions, visit <http://ferc.capitolconnection.org/> or contact Shirley Al-Jarani at 703-993-3104.

Immediately following the conclusion of the Commission Meeting, a press briefing will be held in the Commission Meeting Room. Members of the public may view this briefing in the designated overflow room. This statement is intended to notify the public that the press briefings that follow Commission meetings may now be viewed remotely at Commission headquarters, but will not be telecast through the Capitol Connection service.

[FR Doc. 2019-22673 Filed 10-11-19; 4:15 pm]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory
Commission

[Docket No. CP19-515-000]

Notice of Application; Sabine Pass
Liquefaction, LLC, Sabine Pass LNG,
L.P.

Take notice that on September 27, 2019, Sabine Pass Liquefaction, LLC (Sabine Pass Liquefaction) and Sabine Pass LNG, L.P. (Sabine Pass LNG), 700 Milam Street, Suite 1900, Houston, TX 77002, filed an application under section 3(a) of the Natural Gas Act for an amendment to the authorizations granted by the Commission on April 16, 2012, in Docket No. CP11-72-000, as amended, which authorized the Sabine

Pass Liquefaction Project in Cameron Parish, Louisiana (Liquefaction Project), and the authorization granted by the Commission on April 6, 2015, in Docket No. CP13-552-000, which authorized an expansion of the Liquefaction Project (Liquefaction Expansion Project).

Specifically, Sabine Pass Liquefaction and Sabine Pass LNG request authorization to increase the total liquefied natural gas production capacity of the Liquefaction Project and the Liquefaction Expansion Project from approximately 1,509 billion cubic feet per year (Bcf/y) to 1,661.94 Bcf/y, all as more fully set forth in the application which is on file with the Commission and open to public inspection. The filing is available for review at the Commission in the Public Reference Room or may be viewed on the Commission's website 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 at FERCOnlineSupport@ferc.gov or call toll-free, (866) 208-3676 or TTY, (202) 502-8659.

Any questions regarding this application may be directed to Karri Mahmoud, Cheniere Energy, Inc. 700 Milam Street, Suite 1900, Houston, Texas 77002, by telephone at (713) 375-5000, or by email at karri.mahmoud@cheniere.com.

Pursuant to section 157.9 of the Commission's rules (18 CFR 157.9), within 90 days of this Notice, the Commission staff will either: Complete its environmental assessment (EA) and place it into the Commission's public record (eLibrary) for this proceeding; or issue a Notice of Schedule for Environmental Review. If a Notice of Schedule for Environmental Review is issued, it will indicate, among other milestones, the anticipated date for the Commission staff's issuance of the EA for this proposal. The filing of the EA in the Commission's public record for this proceeding or the issuance of a Notice of Schedule for Environmental Review will serve to notify federal and state agencies of the timing for the

completion of all necessary reviews, and the subsequent need to complete all federal authorizations within 90 days of the date of issuance of the Commission staff's EA.

There are two ways to become involved in the Commission's review of this project. First, any person wishing to obtain legal status by becoming a party to the proceedings for this project should, on or before the comment date stated below file with the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426, a motion to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the NGA (18 CFR 157.10). A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies of all documents filed by the applicant and by all other parties. A party must submit 3 copies of filings made with the Commission and must provide a copy to the applicant and to every other party. Only parties to the proceeding can ask for court review of Commission orders in the proceeding.

However, a person does not have to intervene in order to have comments considered. The second way to participate is by filing with the Secretary of the Commission, as soon as possible, an original and two copies of comments in support of or in opposition to this project. The Commission will consider these comments in determining the appropriate action to be taken, but the filing of a comment alone will not serve to make the filer a party to the proceeding. The Commission's rules require that persons filing comments in opposition to the project provide copies of their protests only to the party or parties directly involved in the protest.

Persons who wish to comment only on the environmental review of this project should submit an original and two copies of their comments to the Secretary of the Commission. Environmental commentors will be placed on the Commission's

environmental mailing list, and will be notified of any meetings associated with the Commission's environmental review process. Environmental commentors will not be required to serve copies of filed documents on all other parties. However, the non-party commentors will not receive copies of all documents filed by other parties or issued by the Commission and will not have the right to seek court review of the Commission's final order.

As of the February 27, 2018 date of the Commission's order in Docket No. CP16-4-001, the Commission will apply its revised practice concerning out-of-time motions to intervene in any new Natural Gas Act section 3 or section 7 proceeding.¹ Persons desiring to become a party to a certificate proceeding are to intervene in a timely manner. If seeking to intervene out-of-time, the movant is required to show good cause why the time limitation should be waived, and should provide justification by reference to factors set forth in Rule 214(d)(1) of the Commission's Rules and Regulations.²

The Commission strongly encourages electronic filings of comments, protests, and interventions in lieu of paper using the eFiling link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 3 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

Comment Date: 5:00 p.m. Eastern Time on October 30, 2019.

Dated: October 9, 2019.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

[FR Doc. 2019-22524 Filed 10-15-19; 8:45 am]
BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Notice of Effectiveness of Exempt Wholesale Generator and Status

Wilton Wind Energy II, LLC	EG19-145-000
Roadrunner Solar Project, LLC.	EG19-146-000
High Lonesome Wind Power, LLC.	EG19-147-000
Grazing Yak Solar, LLC	EG19-148-000
Caden Energix Hickory LLC	EG19-149-000

East Blackland Solar Project 1 LLC.	EG19-150-000
RE Maplewood LLC	EG19-151-000
RE Maplewood 2 LLC	EG19-152-000
Hickory Run Energy, LLC	EG19-153-000
Lapetus Energy Project, LLC	EG19-154-000
Palmer Solar, LLC	EG19-155-000
South Field Energy LLC	EG19-156-000
DWW Solar II, LLC	EG19-157-000
Wright Solar Park LLC	EG19-158-000

Take notice that during the month of September 2019, the status of the above-captioned entities as Exempt Wholesale Generators became effective by operation of the Commission's regulations. 18 CFR 366.7(a) (2019).

Dated: October 9, 2019.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

[FR Doc. 2019-22525 Filed 10-15-19; 8:45 am]
BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #1

Take notice that the Commission received the following exempt wholesale generator filings:

Docket Numbers: EG20-7-000.

Applicants: Lincoln Clean Energy, LLC.

Description: Notice of Self-Certification of Willow Creek Wind, LLC.

Filed Date: 10/7/19.

Accession Number: 20191007-5139.

Comments Due: 5 p.m. ET 10/28/19.

Docket Numbers: EG20-8-000.

Applicants: Lincoln Clean Energy, LLC.

Description: Notice of Self-Certification of EG of Plum Creek Wind, LLC.

Filed Date: 10/7/19.

Accession Number: 20191007-5140.

Comments Due: 5 p.m. ET 10/28/19.

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER19-469-002.

Applicants: PJM Interconnection, L.L.C.

Description: Compliance filing; Filing to Request Change to Effective Date from 12/3/2019 to 12/31/9998 to be effective 12/31/9998.

Filed Date: 10/8/19.
Accession Number: 20191008-5112.
Comments Due: 5 p.m. ET 10/29/19.
Docket Numbers: ER19-2463-001.
Applicants: Utah Red Hills Renewable Park, LLC.

Description: Notice of Non-Material Change in Status of Utah Red Hills Renewable Park, LLC.

Filed Date: 10/7/19.

Accession Number: 20191007-5162.

Comments Due: 5 p.m. ET 10/28/19.

Docket Numbers: ER20-17-000.

Applicants: Tenaska Pennsylvania Partners, LLC.

Description: Report Filing; Informational Filing Regarding Upstream Change in Control and Request for Waiver to be effective N/A.

Filed Date: 10/4/19.

Accession Number: 20191004-5121.

Comments Due: 5 p.m. ET 10/25/19.

Docket Numbers: ER20-45-000.

Applicants: PJM Interconnection, L.L.C.

Description: Compliance filing; Revisions to OA, Schedule 6, sec 1.5 re: Commission's 8/30/2019 order in EL19-61 to be effective 1/1/2020.

Filed Date: 10/7/19.

Accession Number: 20191007-5145.

Comments Due: 5 p.m. ET 10/28/19.

Docket Numbers: ER20-46-000.

Applicants: Midcontinent Independent System Operator, Inc.

Description: § 205(d) Rate Filing; 2019-10-08_SA 3359 METC-Isabella-Isabella II MPFCA (J717 J728) to be effective 9/24/2019.

Filed Date: 10/8/19.

Accession Number: 20191008-5040.

Comments Due: 5 p.m. ET 10/29/19.

Docket Numbers: ER20-47-000.

Applicants: Nevada Power Company.

Description: § 205(d) Rate Filing; Amended and Restate Rate Schedule Facilities Agreement to be effective 12/8/2019.

Filed Date: 10/8/19.

Accession Number: 20191008-5086.

Comments Due: 5 p.m. ET 10/29/19.

Docket Numbers: ER20-49-000.

Applicants: Mid-Atlantic Interstate Transmission, LLC, PJM Interconnection, L.L.C.

Description: § 205(d) Rate Filing; MAIT submits OIA SA No. 4577 to be effective 12/7/2019.

Filed Date: 10/8/19.

Accession Number: 20191008-5097.

Comments Due: 5 p.m. ET 10/29/19.

Docket Numbers: ER20-50-000.

Applicants: Louisville Gas and Electric Company.

Description: § 205(d) Rate Filing; EKPC West Shelby CIAC to be effective 12/9/2019.

¹ *Tennessee Gas Pipeline Company, L.L.C.*, 162 FERC 61,167 at 50 (2018).

² 18 CFR 385.214(d)(1).

Filed Date: 10/8/19.
Accession Number: 20191008–5103.
Comments Due: 5 p.m. ET 10/29/19.
Docket Numbers: ER20–51–000.
Applicants: Kentucky Utilities Company.
Description: § 205(d) Rate Filing: EKPC West Shelby CIAC KU
 Concurrence to be effective 12/9/2019.
Filed Date: 10/8/19.
Accession Number: 20191008–5107.
Comments Due: 5 p.m. ET 10/29/19.
Docket Numbers: ER20–52–000.
Applicants: PJM Interconnection, L.L.C.
Description: § 205(d) Rate Filing: Original ISA, SA No. 5485; Queue No. AB1–107 to be effective 9/12/2019.
Filed Date: 10/8/19.
Accession Number: 20191008–5108.
Comments Due: 5 p.m. ET 10/29/19.
Docket Numbers: ER20–53–000.
Applicants: Citizens Sycamore-Penasquitos Transmission LLC.
Description: § 205(d) Rate Filing: Amended Formula Rate Protocols in Attachment 1 to Appendix III to be effective 1/1/2020.
Filed Date: 10/8/19.
Accession Number: 20191008–5121.
Comments Due: 5 p.m. ET 10/29/19.
Docket Numbers: ER20–54–000.
Applicants: Sunflower Electric Power Corporation, Southwest Power Pool, Inc.
Description: § 205(d) Rate Filing: Attachment M Appendix 1 Revisions to update Loss Factor for Sunflower to be effective 12/31/9998.
Filed Date: 10/8/19.
Accession Number: 20191008–5123.
Comments Due: 5 p.m. ET 10/29/19.
Docket Numbers: ER20–55–000.
Applicants: OhmConnect, Inc.
Description: Baseline eTariff Filing: OHM Connect Initial Market-Based Rate Tariff Filing to be effective 10/8/2019.
Filed Date: 10/8/19.
Accession Number: 20191008–5130.
Comments Due: 5 p.m. ET 10/29/19.
Docket Numbers: ER20–56–000.
Applicants: California Independent System Operator Corporation.
Description: § 205(d) Rate Filing: 2019–10–08 Third Amendment to Market Efficiency Enhancement Agreement with SMUD to be effective 10/17/2019.
Filed Date: 10/8/19.
Accession Number: 20191008–5142.
Comments Due: 5 p.m. ET 10/29/19.
 Take notice that the Commission received the following electric securities filings:
Docket Numbers: ES19–45–000; ES19–46–000.
Applicants: AEP Generating Company, Kingsport Power Company.

Description: Amended and Restated Application under Section 204 of the Federal Power Act for Authorization to Issue Securities of AEP Generating Company, et al.
Filed Date: 10/8/19.
Accession Number: 20191008–5075.
Comments Due: 5 p.m. ET 10/18/19.
Docket Numbers: ES20–1–000.
Applicants: PacifiCorp.
Description: Application Under Section 204 of the Federal Power Act for Authorization to Issue Securities of PacifiCorp.
Filed Date: 10/8/19.
Accession Number: 20191008–5098.
Comments Due: 5 p.m. ET 10/29/19.

The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.

Any person desiring to intervene or protest in any of the above proceedings must file in accordance with Rules 211 and 214 of the Commission's Regulations (18 CFR 385.211 and 385.214) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: October 8, 2019.

Nathaniel J. Davis, Sr.,
 Deputy Secretary.

[FR Doc. 2019–22518 Filed 10–15–19; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. OR19–37–000]

Phillip 66 Company v. SFPP, L.P.; Notice of Complaint

Take notice that September 27, 2019, pursuant to Rule 206 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (Commission),¹ section 343.2 of the Procedural Rules Applicable to Oil Pipeline Proceedings,² and sections 1(5), 8, 9, 13, 15, and 16 of the Interstate Commerce Act (ICA),³ Phillip 66

Company (Complainant or Phillip 66) filed a complaint against SFPP, L.P. (Respondent or SFPP), challenging the justness and reasonableness of SFPP's West Line (Tariff No. 198.20.0), East Line (Tariff No. 197.13.0), North Line (Tariff No. 199.9.0), and Oregon Line (Tariff No. 200.12.0) index increases taken in 2018. Complainants allege that SFPP's rates for this transportation are unjust and unreasonable and request that the Commission investigate SFPP's rates, set the proceedings for an evidentiary hearing to determine the just and reasonable rates for SFPP's index rate increases, require SFPP to pay reparations and refunds to Phillips 66 and award such other relief as is necessary and appropriate under the ICA, all as more fully explained in the complaint.

Complainants certify that copies of the complaint were served on the contacts listed for Respondent on the Commission's list of Corporate Officials.

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211, 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. The Respondent's answer and all interventions, or protests must be filed on or before the comment date. The Respondent's answer, motions to intervene, and protests must be served on the Complainants.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the eFiling link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 5 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

This filing is accessible on-line at <http://www.ferc.gov>, using the eLibrary link and is available for electronic review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the website that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email FERCOnlineSupport@ferc.gov, or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Comment Date: 5:00 p.m. Eastern Time on October 17, 2019.

¹ 18 CFR 385.206.

² 18 CFR 343.2.

³ 49 U.S.C. App. 1(5), 8, 9, 13, 15 and 16 (1988).

Dated: October 9, 2019.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2019-22531 Filed 10-15-19; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

Filings Instituting Proceedings

Docket Number: RP20-1-000.

Applicants: Columbia Gas of Maryland, Inc.

Description: Tariff filing per 284.123(b),(e): CMD Rates effective Sept 30 2019 to be effective 9/30/2019.

Filed Date: 10/7/19.

Accession Number: 201910075061.

Comments/Protests Due: 5 p.m. ET 10/28/19.

Docket Number: RP19-72-001.

Applicants: Acadian Gas Pipeline System.

Description: Tariff filing per 284.123(b),(e)+(g): Merger and Rate Filing Amendment 2019 to be effective 10/1/2019.

Filed Date: 10/8/19.

Accession Number: 201910085131.

Comments Due: 5 p.m. ET 10/29/19.

284.123(g) Protests Due: 5 p.m. ET 10/29/19.

Docket Numbers: RP19-1539-001.

Applicants: Gulf South Pipeline Company, LP.

Description: Compliance filing Compliance Filing in Docket No. RP19-1539-000 to be effective 10/4/2019.

Filed Date: 10/8/19.

Accession Number: 20191008-5069.

Comments Due: 5 p.m. ET 10/21/19.

Docket Numbers: RP19-63-002.

Applicants: East Tennessee Natural Gas, LLC.

Description: Compliance filing ETNG RP19-63 Compliance Filing to be effective 1/1/2019.

Filed Date: 10/8/19.

Accession Number: 20191008-5135.

Comments Due: 5 p.m. ET 10/21/19.

Docket Numbers: RP20-47-000.

Applicants: Iroquois Gas Transmission System, L.P.

Description: § 4(d) Rate Filing: 100819 Negotiated Rates—Mieco Inc. R-7080-09 to be effective 11/1/2019.

Filed Date: 10/8/19.

Accession Number: 20191008-5053.

Comments Due: 5 p.m. ET 10/21/19.

Docket Numbers: RP20-48-000.

Applicants: Iroquois Gas Transmission System, L.P.

Description: § 4(d) Rate Filing: 100819 Negotiated Rates—Mieco Inc. R-7080-10 to be effective 11/1/2019.

Filed Date: 10/8/19.

Accession Number: 20191008-5055.

Comments Due: 5 p.m. ET 10/21/19.

Docket Numbers: RP20-49-000.

Applicants: Iroquois Gas Transmission System, L.P.

Description: § 4(d) Rate Filing: 100819 Negotiated Rates—Castleton Commodities Merchant Trading L.P. R-4010-16 to be effective 12/1/2019.

Filed Date: 10/8/19.

Accession Number: 20191008-5056.

Comments Due: 5 p.m. ET 10/21/19.

Docket Numbers: RP20-50-000.

Applicants: Iroquois Gas Transmission System, L.P.

Description: § 4(d) Rate Filing: 100819 Negotiated Rates—Castleton Commodities Merchant Trading L.P. R-4010-17 to be effective 12/1/2019.

Filed Date: 10/8/19.

Accession Number: 20191008-5066.

Comments Due: 5 p.m. ET 10/21/19.

Docket Numbers: RP20-51-000.

Applicants: Iroquois Gas Transmission System, L.P.

Description: § 4(d) Rate Filing: 100819 Negotiated Rates—Castleton Commodities Merchant Trading R-4010-20 to be effective 11/1/2019.

Filed Date: 10/8/19.

Accession Number: 20191008-5067.

Comments Due: 5 p.m. ET 10/21/19.

The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.

Any person desiring to intervene or protest in any of the above proceedings must file in accordance with Rules 211 and 214 of the Commission's Regulations (18 CFR 385.211 and 385.214) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Dated: October 9, 2019.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2019-22521 Filed 10-15-19; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER20-58-000]

FL Solar 4, LLC; Supplemental Notice That Initial Market-Based Rate Filing Includes Request for Blanket Section 204 Authorization

This is a supplemental notice in the above-referenced FL Solar 4, LLC's application for market-based rate authority, with an accompanying rate tariff, noting that such application includes a request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability.

Any person desiring to intervene or to protest should file with the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant.

Notice is hereby given that the deadline for filing protests with regard to the applicant's request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability, is October 29, 2019.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at <http://www.ferc.gov>. To facilitate electronic service, persons with internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

The filings in the above-referenced proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for electronic review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the website that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email

FERCOnlineSupport@ferc.gov. or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Dated: October 9, 2019.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

[FR Doc. 2019-22528 Filed 10-15-19; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER20-57-000]

GA Solar 3, LLC; Supplemental Notice That Initial Market-Based Rate Filing Includes Request for Blanket Section 204 Authorization

This is a supplemental notice in the above-referenced GA Solar 3, LLC's application for market-based rate authority, with an accompanying rate tariff, noting that such application includes a request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability.

Any person desiring to intervene or to protest should file with the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant.

Notice is hereby given that the deadline for filing protests with regard to the applicant's request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability, is October 29, 2019.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at <http://www.ferc.gov>. To facilitate electronic service, persons with internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

The filings in the above-referenced proceeding are accessible in the

Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for electronic review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the website that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov*. or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Dated: October 9, 2019.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

[FR Doc. 2019-22527 Filed 10-15-19; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP19-512-000]

Texas Eastern Transmission, LP; Notice of Application

Take notice that on September 26, 2019, Texas Eastern Transmission, LP (Texas Eastern), 5400 Westheimer Court, Houston, Texas 77056, filed in Docket No. CP19-512-000 an application pursuant to section 7(c) of the Natural Gas Act (NGA) requesting authorization to construct new (1) 30,000 ISO-rated horsepower (HP) compressor station (CS) in Calcasieu Parish, Louisiana; (2) 0.2 miles of 20-inch-diameter interconnecting piping in Cameron Parish, Louisiana; (3) three metering and regulating (M&R) stations and other appurtenances in Cameron, Beauregard, and Jefferson Davis Parishes, Louisiana (Cameron Expansion Project). The project will generate 750,000 dekatherms per day of additional firm transportation capacity to a new interconnect with TransCameron Pipeline, LLC (TransCameron). Texas Eastern is also seeking approval to establish and charge initial incremental recourse reservation and usage rates and an incremental fuel percentage for firm service, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

The filing may also 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, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov* or toll

free at (866) 208-3676, or TTY, contact (202) 502-8659.

Any questions concerning this application may be directed to Lisa A. Connolly, Director, Rates and Certificates, Texas Eastern Transmission, LP, P.O. Box 1642, Houston, Texas 77251, by phone (713) 627-4102, fax (713) 627-5947, or email *lisa.connolly@enbridge.com*.

Specifically, Texas Eastern proposes to construct and operate (1) a new CS in Calcasieu Parish, comprised of one 30,000 ISO-rated HP, natural gas-driven turbine compressor unit and related appurtenances; (2) a new delivery M&R station and related facilities, including 0.2 miles of 20-inch-diameter interconnecting piping, at a new interconnect with TransCameron's pipeline system in Cameron Parish; (3) a new receipt M&R station and related facilities at a new interconnect with Momentum Midstream, LLC in Beauregard Parish; (4) a new bi-directional M&R station and related facilities at a new interconnect with Trunkline Gas Company, LLC in Jefferson Davis Parish; (5) installation of equipment, including a filter separator and regulator at the Gillis CS in Beauregard Parish; and (6) other related auxiliary facilities and appurtenances. The cost of the proposed project is estimated at \$149,000,000.

Pursuant to section 157.9 of the Commission's rules (18 CFR 157.9), within 90 days of this Notice, the Commission staff will either: Complete its environmental assessment (EA) and place it into the Commission's public record (eLibrary) for this proceeding or issue a Notice of Schedule for Environmental Review. If a Notice of Schedule for Environmental Review is issued, it will indicate, among other milestones, the anticipated date for the Commission staff's issuance of the final environmental impact statement (FEIS) or EA for this proposal. The filing of the EA in the Commission's public record for this proceeding or the issuance of a Notice of Schedule will serve to notify federal and state agencies of the timing for the completion of all necessary reviews, and the subsequent need to complete all federal authorizations within 90 days of the date of issuance of the Commission staff's FEIS or EA.

There are two ways to become involved in the Commission's review of this project. First, any person wishing to obtain legal status by becoming a party to the proceedings for this project should, on or before the comment date stated below, file with the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426, a motion to intervene in accordance

with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the NGA (18 CFR 157.10). A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies of all documents filed by the applicant and by all other parties. A party must submit five copies of filings made with the Commission and must mail a copy to the applicant and to every other party in the proceeding. Only parties to the proceeding can ask for court review of Commission orders in the proceeding.

However, a person does not have to intervene in order to have comments considered. The second way to participate is by filing with the Secretary of the Commission, as soon as possible, an original and two copies of comments in support of or in opposition to this project. The Commission will consider these comments in determining the appropriate action to be taken, but the filing of a comment alone will not serve to make the filer a party to the proceeding. The Commission's rules require that persons filing comments in opposition to the project provide copies of their protests only to the party or parties directly involved in the protest.

Persons who wish to comment only on the environmental review of this project should submit an original and two copies of their comments to the Secretary of the Commission. Environmental commenters will be placed on the Commission's environmental mailing list, will receive copies of the environmental documents, and will be notified of meetings associated with the Commission's environmental review process. Environmental commenters will not be required to serve copies of filed documents on all other parties. However, the non-party commenters will not receive copies of all documents filed by other parties or issued by the Commission (except for the mailing of environmental documents issued by the Commission) and will not have the right to seek court review of the Commission's final order.

As of the February 27, 2018 date of the Commission's order in Docket No. CP16-4-001, the Commission will apply its revised practice concerning out-of-time motions to intervene in any new NGA section 3 or section 7 proceeding.¹ Persons desiring to become a party to a certificate proceeding are to intervene in a timely manner. If seeking

to intervene out-of-time, the movant is required to show good cause why the time limitation should be waived, and should provide justification by reference to factors set forth in Rule 214(d)(1) of the Commission's Rules and Regulations.²

The Commission strongly encourages electronic filings of comments, protests and interventions in lieu of paper using the eFiling link at <http://www.ferc.gov>. Persons unable to file electronically should submit original and five copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

Comment Date: 5:00 p.m. Eastern Time on October 30, 2019.

Dated: October 9, 2019.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2019-22522 Filed 10-15-19; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER20-55-000]

OhmConnect, Inc.; Supplemental Notice That Initial Market-Based Rate Filing Includes Request for Blanket Section 204 Authorization

This is a supplemental notice in the above-referenced OhmConnect, Inc.'s application for market-based rate authority, with an accompanying rate tariff, noting that such application includes a request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability.

Any person desiring to intervene or to protest should file with the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant.

Notice is hereby given that the deadline for filing protests with regard to the applicant's request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability, is October 29, 2019.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the

FERC Online links at <http://www.ferc.gov>. To facilitate electronic service, persons with internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

The filings in the above-referenced proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for electronic review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the website that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email FERCOnlineSupport@ferc.gov or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Dated: October 9, 2019.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2019-22526 Filed 10-15-19; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #1

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER18-1737-002.

Applicants: Midcontinent Independent System Operator, Inc.

Description: Midcontinent Independent System Operator, Inc. submits tariff filing per 35.19a(b): Refund Report_NIPSO Reactive Power to be effective N/A.

Filed Date: 10/9/19.

Accession Number: 20191009-5157.

Comments Due: 5 p.m. ET 10/30/19.

Docket Numbers: ER19-2065-002.

Applicants: Midcontinent Independent System Operator, Inc., Ameren Illinois Company.

Description: Report Filing: 2019-10-09_SA 2026 Ameren-Hannibal Second Substitute 2nd Rev WDS Refund Report to be effective N/A.

Filed Date: 10/9/19.

¹ *Tennessee Gas Pipeline Company, L.L.C.*, 162 FERC 61,167 at 50 (2018).

² 18 CFR 385.214(d)(1).

Accession Number: 20191009–5133.
Comments Due: 5 p.m. ET 10/30/19.
Docket Numbers: ER20–57–000.
Applicants: GA Solar 3, LLC.
Description: Baseline eTariff Filing:
 Application For Market Based Rate to be effective 10/26/2019.
Filed Date: 10/9/19.
Accession Number: 20191009–5001.
Comments Due: 5 p.m. ET 10/30/19.
Docket Numbers: ER20–58–000.
Applicants: FL Solar 4, LLC.
Description: Baseline eTariff Filing:
 Application For Market Based Rate to be effective 11/4/2019.
Filed Date: 10/9/19.
Accession Number: 20191009–5002.
Comments Due: 5 p.m. ET 10/30/19.
Docket Numbers: ER20–59–000.
Applicants: AZ Solar 1, LLC.
Description: Baseline eTariff Filing:
 Application For Market Based Rate to be effective 12/2/2019.
Filed Date: 10/9/19.
Accession Number: 20191009–5005.
Comments Due: 5 p.m. ET 10/30/19.
Docket Numbers: ER20–60–000.
Applicants: PJM Interconnection, L.L.C.
Description: Tariff Cancellation:
 Notice of Cancellation of WMPA/SA No. 5094, Queue No. AD1–048 to be effective 11/4/2019.
Filed Date: 10/9/19.
Accession Number: 20191009–5056.
Comments Due: 5 p.m. ET 10/30/19.
Docket Numbers: ER20–61–000.
Applicants: Citizens Sunrise Transmission LLC.
Description: § 205(d) Rate Filing:
 Annual TRBAA Filing October 2019 to be effective 1/1/2020.
Filed Date: 10/9/19.
Accession Number: 20191009–5078.
Comments Due: 5 p.m. ET 10/30/19.
Docket Numbers: ER20–62–000.
Applicants: Rochester Gas and Electric Corporation, New York Independent System Operator, Inc.
Description: § 205(d) Rate Filing:
 Section 205 Amended and Restated IA RGE and RED SA. No 2484 to be effective 9/16/2019.
Filed Date: 10/9/19.
Accession Number: 20191009–5086.
Comments Due: 5 p.m. ET 10/30/19.
Docket Numbers: ER20–63–000.
Applicants: Emmons-Logan Wind Interconnection, LLC.
Description: Baseline eTariff Filing:
 TSA between Emmons-Logan Interconnection and Emmons-Logan Wind to be effective 12/6/2019.
Filed Date: 10/9/19.
Accession Number: 20191009–5115.
Comments Due: 5 p.m. ET 10/30/19.
Docket Numbers: ER20–64–000.

Applicants: PGR Lessee L, LLC.
Description: Baseline eTariff Filing:
 PGR Lessee L MBR Application to be effective 10/9/2019.
Filed Date: 10/9/19.
Accession Number: 20191009–5118.
Comments Due: 5 p.m. ET 10/30/19.
Docket Numbers: ER20–65–000.
Applicants: TWE Bowman Solar Project, LLC.
Description: Baseline eTariff Filing:
 TWE Bowman MBR Application to be effective 10/9/2019.
Filed Date: 10/9/19.
Accession Number: 20191009–5120.
Comments Due: 5 p.m. ET 10/30/19.
 Take notice that the Commission received the following qualifying facility filings:
Docket Numbers: QF20–29–000.
Applicants: Eco Green Generation LLC.
Description: Form 556 of Eco Green Generation LLC [Clean Power #3].
Filed Date: 10/9/19.
Accession Number: 20191009–5035.
Comments Due: None-Applicable.
 The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.
 Any person desiring to intervene or protest in any of the above proceedings must file in accordance with Rules 211 and 214 of the Commission's Regulations (18 CFR 385.211 and 385.214) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.
 eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: October 9, 2019.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2019–22519 Filed 10–15–19; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. IC19–35–000]

Commission Information Collection Activities (FERC–515) Comment Request; Extension

AGENCY: Federal Energy Regulatory Commission, Department of Energy.

ACTION: Notice of information collection and request for comments.

SUMMARY: In compliance with the requirements of the Paperwork Reduction Act of 1995 (PRA), the Federal Energy Regulatory Commission (Commission or FERC) is soliciting public comment on the currently approved information collection, FERC–515 (Declaration of Intention).

DATES: Comments on the collection of information are due December 16, 2019.

ADDRESSES: You may submit comments (identified by Docket No. IC19–35–000) by either of the following methods:

- eFiling at Commission's website:

<http://www.ferc.gov/docs-filing/efiling.asp>

- Mail/Hand Delivery/Courier:

Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street NE, Washington, DC 20426.

Instructions: All submissions must be formatted and filed in accordance with submission guidelines at: <http://www.ferc.gov/help/submission-guide.asp>. For user assistance, contact FERC Online Support by email at ferconlinesupport@ferc.gov, or by phone at: (866) 208–3676 (toll-free), or (202) 502–8659 for TTY.

Docket: Users interested in receiving automatic notification of activity in this docket or in viewing/downloading comments and issuances in this docket may do so at <http://www.ferc.gov/docs-filing/docs-filing.asp>.

FOR FURTHER INFORMATION CONTACT:

Ellen Brown may be reached by email at DataClearance@FERC.gov, telephone at (202) 502–8663, and fax at (202) 273–0873.

SUPPLEMENTARY INFORMATION:

Title: FERC–515 (Declaration of Intention).

OMB Control No.: 1902–0079.

Type of Request: Three-year extension of the FERC–515 information collection requirements with no changes to the current reporting requirements.

Abstract: The Commission uses the information collected under the requirements of FERC–515 to implement the statutory provisions of Section 23(b) of the Federal Power Act (FPA).¹ Section 23(b) authorizes the Commission to make a determination as to whether it has jurisdiction over a proposed water project² not affecting navigable waters³ but across, along, over, or in waters over which Congress has jurisdiction under its authority to regulate commerce with foreign nations

¹ 16 U.S.C. 817.

² Dams or project works (16 U.S.C. 817).

³ See 16 U.S.C. 796 (8) for the definition of "Navigable Waters."

and among the several States. Section 23(b) requires that any person intending to construct project works on such waters must file a declaration of their intention with the Commission. If the Commission finds the proposed project will have an impact on interstate or foreign commerce, then the entity intending to construct the project must obtain a Commission license or exemption before starting construction.⁴

The information is collected in the form of a written application, containing sufficient details to allow the Commission staff to research the jurisdictional aspects of the project. This research includes examining maps and land ownership records to establish whether or not there is Federal jurisdiction over the lands and waters affected by the project. A finding of non-jurisdictional by the Commission eliminates a substantial paperwork

burden for the applicant who might otherwise have to file for a license or exemption application. The Commission implements these filing requirements under 18 CFR part 24.

Type of Respondents: Persons intending to construct project works on certain waters described above.

*Estimate of Annual Burden.*⁵ The Commission estimates the annual public reporting burden and cost⁶ for the information collection as:

FERC-515—DECLARATION OF INTENTION

Number of respondents (1)	Annual number of responses per respondent (2)	Total number of responses (1) * (2) = (3)	Average burden hours & cost (\$) per response (4)	Total annual burden hours & total annual cost (\$) (3) * (4) = (5)	Cost per respondent (\$) (5) ÷ (1)
6	1	6	80 hrs.; \$6,400	480 hrs.; \$38,400	\$6,400

Comments: Comments are invited on: (1) Whether the collection of information is necessary for the proper performance of the functions of the Commission, including whether the information will have practical utility; (2) the accuracy of the agency's estimates of the burden and cost of the collections of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information collection; and (4) ways to minimize the burden of the collection of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.

Dated: October 9, 2019.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2019-22530 Filed 10-15-19; 8:45 am]

BILLING CODE 6717-01-P

ENVIRONMENTAL PROTECTION AGENCY

[EPA-HQ-OPP-2017-0720; FRL-10001-17]

Registration Review; Paraquat Dichloride Draft Human Health and Ecological Risk Assessments; Notice of Availability

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: This notice announces the availability of EPA's draft human health and ecological risk assessments for the registration review of paraquat dichloride.

DATES: Comments must be received on or before December 16, 2019.

ADDRESSES: Submit your comments, to the docket identification (ID) number for the specific pesticide of interest provided in the Table in Unit IV, by one of the following methods:

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the online instructions for submitting comments. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.
- *Mail:* OPP Docket, Environmental Protection Agency Docket Center (EPA/

generate, maintain, retain, or disclose or provide information to or for a federal agency. See 5 CFR 1320 for additional information on the definition of information collection burden.

⁶ The estimates for cost per response are derived using the following formula: Average Burden Hours per Response * \$80.00/hour = Average cost/response. The figure is the 2019 FERC average

DC), (28221T), 1200 Pennsylvania Ave. NW, Washington, DC 20460-0001.

- *Hand Delivery:* To make special arrangements for hand delivery or delivery of boxed information, please follow the instructions at <http://www.epa.gov/dockets/contacts.html>. Additional instructions on commenting or visiting the docket, along with more information about dockets generally, are available at <http://www.epa.gov/dockets>.

FOR FURTHER INFORMATION CONTACT: For pesticide specific information contact: The Chemical Review Manager for paraquat dichloride identified in the Table in Unit IV.

For general questions on the registration review program, contact: Melanie Biscoe, Pesticide Re-Evaluation Division (7508P), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460-0001; telephone number: (703) 305-7106; email address: biscoe.melanie@epa.gov.

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does this action apply to me?

This action is directed to the public in general and may be of interest to a wide range of stakeholders including environmental, human health, farm worker, and agricultural advocates; the

hourly cost (for wages and benefits) of \$80.00 (and an average annual salary of \$167,091/year). Commission staff is using the estimate for FERC average wages and benefits because we consider resources completing the FERC-515 to be compensated at rates similar to FERC employees.

⁴ Upon a finding of non-jurisdictional by the Commission, and if the project does not utilize surplus water or waterpower from a government dam and no public lands or reservations are affected, permission is granted upon compliance with State laws.

⁵ Burden is defined as the total time, effort, or financial resources expended by persons to

chemical industry; pesticide users; and members of the public interested in the sale, distribution, or use of pesticides. Since others also may be interested, the Agency has not attempted to describe all the specific entities that may be affected by this action. If you have any questions regarding the applicability of this action to a particular entity, consult the Chemical Review Manager identified in the Table in Unit IV.

B. What should I consider as I prepare my comments for EPA?

1. *Submitting CBI.* Do not submit this information to EPA through *regulations.gov* or email. Clearly mark the part or all of the information that you claim to be CBI. For CBI information in a disk or CD-ROM that you mail to EPA, mark the outside of the disk or CD-ROM as CBI and then identify electronically within the disk or CD-ROM the specific information that is claimed as CBI. In addition to one complete version of the comment that includes information claimed as CBI, a copy of the comment that does not contain the information claimed as CBI must be submitted for inclusion in the public docket. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2.

2. *Tips for preparing your comments.* When preparing and submitting your comments, see the commenting tips at <http://www.epa.gov/dockets/comments.html>.

3. *Environmental justice.* EPA seeks to achieve environmental justice, the fair

treatment and meaningful involvement of any group, including minority and/or low-income populations, in the development, implementation, and enforcement of environmental laws, regulations, and policies. To help address potential environmental justice issues, the Agency seeks information on any groups or segments of the population who, as a result of their location, cultural practices, or other factors, may have atypical or disproportionately high and adverse human health impacts or environmental effects from exposure to the pesticides discussed in this document, compared to the general population.

II. Background

Registration review is EPA's periodic review of pesticide registrations to ensure that each pesticide continues to satisfy the statutory standard for registration, that is, the pesticide can perform its intended function without unreasonable adverse effects on human health or the environment. As part of the registration review process, the Agency has completed comprehensive draft human health and ecological risk assessments for paraquat dichloride. After reviewing comments received during the public comment period, EPA may issue a revised risk assessment, explain any changes to the draft risk assessment, and respond to comments and may request public input on risk mitigation before completing a proposed registration review decision for paraquat dichloride. Through this program, EPA

is ensuring that each pesticide's registration is based on current scientific and other knowledge, including its effects on human health and the environment.

III. Authority

EPA is conducting its registration review of the chemicals listed in the Table in Unit IV pursuant to section 3(g) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) and the Procedural Regulations for Registration Review at 40 CFR part 155, subpart C. Section 3(g) of FIFRA provides, among other things, that the registrations of pesticides are to be reviewed every 15 years. Under FIFRA, a pesticide product may be registered or remain registered only if it meets the statutory standard for registration given in FIFRA section 3(c)(5) (7 U.S.C. 136a(c)(5)). When used in accordance with widespread and commonly recognized practice, the pesticide product must perform its intended function without unreasonable adverse effects on the environment; that is, without any unreasonable risk to man or the environment, or a human dietary risk from residues that result from the use of a pesticide in or on food.

IV. What action is the Agency taking?

Pursuant to 40 CFR 155.58, this notice announces the availability of EPA's human health and ecological risk assessments for paraquat dichloride and opens a 60-day public comment period on the risk assessments.

TABLE—DRAFT RISK ASSESSMENTS BEING MADE AVAILABLE FOR PUBLIC COMMENT

Registration review case name and No.	Docket ID No.	Chemical review manager and contact information
Paraquat Dichloride Case 0262	EPA-HQ-OPP-2011-0855	Marianne Mannix mannix.marianne@epa.gov (703) 347-0275.

Pursuant to 40 CFR 155.53(c), EPA is providing an opportunity, through this notice of availability, for interested parties to provide comments and input concerning the Agency's draft human health and ecological risk assessments for paraquat dichloride. The Agency will consider all comments received during the public comment period and make changes, as appropriate, to the draft human health and/or ecological risk assessment. EPA may then issue a revised risk assessment, explain any changes to the draft risk assessment, and respond to comments.

Information submission requirements. Anyone may submit data or information in response to this document. To be

considered during a pesticide's registration review, the submitted data or information must meet the following requirements:

- To ensure that EPA will consider data or information submitted, interested persons must submit the data or information during the comment period. The Agency may, at its discretion, consider data or information submitted at a later date.
- The data or information submitted must be presented in a legible and useable form. For example, an English translation must accompany any material that is not in English and a written transcript must accompany any information submitted as an

audiographic or videographic record. Written material may be submitted in paper or electronic form.

- Submitters must clearly identify the source of any submitted data or information.
- Submitters may request the Agency to reconsider data or information that the Agency rejected in a previous review. However, submitters must explain why they believe the Agency should reconsider the data or information in the pesticide's registration review.

As provided in 40 CFR 155.58, the registration review docket for each pesticide case will remain publicly accessible through the duration of the

registration review process; that is, until all actions required in the final decision on the registration review case have been completed.

Authority: 7 U.S.C. 136 *et seq.*

Dated: October 10, 2019.

Mary Reaves,

Acting Director, Pesticide Re-Evaluation Division, Office of Pesticide Programs.

[FR Doc. 2019-22495 Filed 10-15-19; 8:45 am]

BILLING CODE 6560-50-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, if any, 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)).

Comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors, Ann E. Misback, Secretary of the Board, 20th and Constitution Avenue NW, Washington, DC 20551-0001, not later than November 14, 2019.

A. Federal Reserve Bank of Atlanta (Kathryn Haney, Assistant Vice President) 1000 Peachtree Street NE, Atlanta, Georgia 30309. Comments can also be sent electronically to Applications.Comments@atl.frb.org:

1. *FB Financial Corporation, Nashville, Tennessee*; to merge with FNB Financial Corp., Scottsville, Kentucky, and thereby directly acquire The Farmers National Bank of Scottsville, Bowling Green, Kentucky.

B. Federal Reserve Bank of Chicago (Colette A. Fried, Assistant Vice President) 230 South LaSalle Street, Chicago, Illinois 60690-1414:

1. *High Point Financial Services, Inc., Forreston, Illinois*; to acquire The Poplar Grove State Bank, Poplar Grove, Illinois.

C. Federal Reserve Bank of Cleveland (Nadine Wallman, Vice President) 1455 East Sixth Street, Cleveland, Ohio 44101-2566. Comments can also be sent electronically to

Comments.applications@clev.frb.org:

1. *First Defiance Financial Corporation, Defiance, Ohio*; to become a bank holding company upon the conversion of its wholly-owned subsidiary, First Federal Bank of the Midwest, Defiance, Ohio, from a federally-chartered savings bank to a state-chartered commercial bank. In addition, First Defiance Financial Corporation to acquire United Community Financial Corporation and thereby indirectly acquire Home Savings Bank, both of Youngstown, Ohio.

Board of Governors of the Federal Reserve System, October 10, 2019.

Yao-Chin Chao,

Assistant Secretary of the Board.

[FR Doc. 2019-22540 Filed 10-15-19; 8:45 am]

BILLING CODE P

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Savings and Loan Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Home Owners' Loan Act (12 U.S.C. 1461 *et seq.*) (HOLA), Regulation LL (12 CFR part 238), and Regulation MM (12 CFR part 239), and all other applicable statutes and regulations to become a savings and loan holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a savings association and nonbanking companies owned by the savings and loan 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 HOLA (12 U.S.C. 1467a(e)).

Comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors, Ann E. Misback, Secretary of the Board, 20th and Constitution Avenue NW,

Washington, DC 20551-0001, not later than November 14, 2019.

A. Federal Reserve Bank of Cleveland (Nadine Wallman, Vice President) 1455 East Sixth Street, Cleveland, Ohio 44101-2566. Comments can also be sent electronically to

Comments.applications@clev.frb.org:

1. *First Mutual Holding Co., Lakewood, Ohio*; to acquire Warsaw Federal Savings and Loan Association, Cincinnati, Ohio, a standalone federal mutual savings association, through the merger of Warsaw Federal Savings and Loan Association with an interim federal savings association subsidiary of First Mutual Holding Company.

Board of Governors of the Federal Reserve System, October 10, 2019.

Yao-Chin Chao,

Assistant Secretary of the Board.

[FR Doc. 2019-22539 Filed 10-15-19; 8:45 am]

BILLING CODE 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, 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: Innovative Immunology Research.

Date: November 7, 2019.

Time: 8:30 a.m. to 5:00 p.m.

Agenda: To review and evaluate grant applications.

Place: Residence Inn Bethesda, 7335 Wisconsin Avenue, Bethesda, MD 20814.

Contact Person: David B Winter, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4204, MSC 7812, Bethesda, MD 20892, 301-435-1152 dwinter@csr.nih.gov.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Fellowships: Musculoskeletal, Rehabilitation, and Skin Sciences.

Date: November 8, 2019.

Time: 8:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate grant applications.

Place: Embassy Suites at the Chevy Chase Pavilion, 4300 Military Road NW, Washington, DC 20015.

Contact Person: Chi-Wing Chow, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4110, Bethesda, MD 20892, 301 402 3912, chowc2@mail.nih.gov.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Exploration of Antimicrobial Therapeutics and Resistance.

Date: November 8, 2019.

Time: 8:00 a.m. to 9:30 a.m.

Agenda: To review and evaluate grant applications.

Place: Holiday Inn Bayside, 4875 North Harbor Drive, San Diego, CA 92106.

Contact Person: Guangyong Ji, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3211, MSC 7808, Bethesda, MD 20892, 301-435-1146, jig@csr.nih.gov.

Name of Committee: Center for Scientific Review Special Emphasis Panel PAR Panel; Translational Technologies for Older Adults, Alzheimer's Disease and Related Dementias.

Date: November 8, 2019.

Time: 9:00 a.m. to 2:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Paek-Gyu Lee, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4201, MSC 7812, Bethesda, MD 20892, (301) 613-2064, leepg@csr.nih.gov.

Name of Committee: Center for Scientific Review Special Emphasis Panel; High-End or Shared Electron Microscope Systems (S10).

Date: November 8, 2019.

Time: 11:00 a.m. to 6:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892 (Virtual Meeting).

Contact Person: Jessica Smith, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, 301-402-3717, jessica.smith6@nih.gov.

Name of Committee: Center for Scientific Review Special Emphasis Panel; High-End or Shared Electron Microscope Systems (S10).

Date: November 8, 2019.

Time: 11:00 a.m. to 6:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Rockledge II, 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.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: Genome structure, genetic variation and regulatory networks, and genetic and molecular evolution.

Date: November 8, 2019.

Time: 11:00 a.m. to 3:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Methode Bacanamwo, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 2200, Bethesda, MD 20892 301-827-7088 methode.bacanamwo@nih.gov.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Clinical Informatics in Drug Use and Aging.

Date: November 8, 2019.

Time: 1:00 p.m. to 6:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Wenchi Liang, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3150, MSC 7770, Bethesda, MD 20892 301-435-0681 liangw3@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 9, 2019.

Ronald J. Livingston, Jr.,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2019-22449 Filed 10-15-19; 8:45 am]

BILLING CODE 4140-01-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Cancer Institute; Cancellation of Meeting

Notice is hereby given of the cancellation of the National Cancer Institute Clinical Trials and Translational Research Advisory Committee, November 6, 2019, 8:00 a.m. to November 6, 2019, 4:00 p.m., National Cancer Institute Shady Grove, East Wing, Conference Room TE406, 9609 Medical Center Drive, Rockville, MD 20850 which was published in the **Federal Register** on February 15, 2019, 84 FR 4486.

This meeting has been cancelled.

Dated: October 9, 2019.

Melanie J. Pantoja,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2019-22448 Filed 10-15-19; 8:45 am]

BILLING CODE 4140-01-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Center for Complementary & Integrative Health; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended, 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/or contract proposals 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 and/or contract proposals, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Center for Complementary and Integrative Health Special Emphasis Panel; Mechanisms of Mind and Body Interventions (MMB).

Date: November 15, 2019.

Time: 12:00 p.m. to 4:30 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Two Democracy Plaza, 6707 Democracy Boulevard, Bethesda, MD 20892 (Virtual Meeting).

Contact Person: Martina Schmidt, Ph.D., Chief, Office of Scientific Review, National Center for Complementary & Integrative Health, NIH, 6707 Democracy Blvd., Suite 401, Bethesda, MD 20892, 301-594-3456, schmidma@mail.nih.gov.

(Catalogue of Federal Domestic Assistance Program Nos. 93.213, Research and Training in Complementary and Alternative Medicine, National Institutes of Health, HHS)

Dated: October 9, 2019.

Ronald J. Livingston, Jr.,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2019-22450 Filed 10-15-19; 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, 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: Psycho/Neuropathology Lifespan Development, STEM Education.

Date: November 8, 2019.

Time: 11:00 a.m. to 3:00 p.m.

Agenda: To review and evaluate grant applications.

Place: Palomar Hotel, 2121 P Street NW, Washington, DC 20037.

Contact Person: Elia E. Ortenberg, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3108, Bethesda, MD 20892, 301-827-7189, femiaee@csr.nih.gov.

Name of Committee: Center for Scientific Review Special Emphasis Panel; PAR17-094: Maximizing Investigators' Research Award (R35).

Date: November 12-13, 2019.

Time: 8:00 a.m. to 6:00 p.m.

Agenda: To review and evaluate grant applications.

Place: Hyatt Regency Bethesda, One Bethesda, Metro Center, 7400 Wisconsin Avenue, Bethesda, MD 20814.

Contact Person: Emily Foley, Scientific Review Officer, Center for Scientific Review, 6701 Rockledge Drive, Bethesda, MD 20892, 301-402-3016, emily.foley@nih.gov.

Name of Committee: AIDS and Related Research Integrated Review Group HIV Comorbidities and Clinical Studies Study Section.

Date: November 12-13, 2019.

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: Dimitrios Nikolaos Vatakis, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3190, Bethesda, MD 20892, 301-827-7480, dimitrios.vatakis@nih.gov.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Topics in Bacterial Pathogenesis.

Date: November 12, 2019.

Time: 8:00 a.m. to 6:00 p.m.

Agenda: To review and evaluate grant applications.

Place: Embassy Suites at the Chevy Chase Pavilion, 4300 Military Road NW, Washington, DC 20015.

Contact Person: Richard G. Kostriken, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3192, MSC 7808, Bethesda, MD 20892, 240-519-7808, kostrikr@csr.nih.gov.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Fellowships: Cell Biology, Developmental Biology, and Bioengineering.

Date: November 12-13, 2019.

Time: 10:00 a.m. to 7:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892 (Virtual Meeting).

Contact Person: Alexander Gubin, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4196, MSC 7812, Bethesda, MD 20892, 301-435-2902, gubina@csr.nih.gov.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: Autoimmunity and Transplantation.

Date: November 12, 2019.

Time: 1:00 p.m. to 4:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Tina McIntyre, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4202, MSC 7812, Bethesda, MD 20892, 301-594-6375, mccintyrt@csr.nih.gov.

Name of Committee: Center for Scientific Review Special Emphasis Panel; PAR Panel: Improving Animal Models of Influenza Infection that are Predictive of Human Immunity and Vaccination.

Date: November 12, 2019.

Time: 12:00 p.m. to 5:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Kenneth M. Izumi, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3204, MSC 7808, Bethesda, MD 20892, 301-496-6980, izumikm@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 9, 2019.

Ronald J. Livingston, Jr.,
Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2019-22446 Filed 10-15-19; 8:45 am]

BILLING CODE 4140-01-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Proposed Collection; 60-Day Comment Request; Office of Minority Health Research Coordination (OMHRC) Research Training and Mentor Programs Applications (National Institute of Diabetes and Digestive and Kidney Diseases)

AGENCY: National Institutes of Health, HHS.

ACTION: Notice.

SUMMARY: In compliance with the requirement of the Paperwork Reduction Act of 1995 to provide opportunity for public comment on proposed data collection projects, the National Institutes of Health National Institute of Diabetes and Digestive and Kidney Diseases will publish periodic summaries of proposed projects to be submitted to the Office of Management and Budget (OMB) for review and approval.

DATES: Comments regarding this information collection are best assured of having their full effect if received within 60 days of the date of this publication.

FOR FURTHER INFORMATION CONTACT: To obtain a copy of the data collection plans and instruments, submit comments in writing, or request more information on the proposed project, contact: Ms. Winnie Martinez, Project Officer, 6707 Democracy Blvd., 9th Floor, Bethesda, MD 20892 or call non-toll-free number (301) 435-2988 or Email your request, including your address to: Winnie.Martinez@nih.gov. Formal requests for additional plans and instruments must be requested in writing.

SUPPLEMENTARY INFORMATION: Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995 requires: Written comments and/or suggestions from the public and affected agencies are invited to address one or more of the following points: (1) Whether the proposed collection of information is necessary for the proper performance of the function of the agency, including whether the information will have practical utility; (2) 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; (3) Ways to enhance the quality, utility, and clarity of the information to be collected; and (4) Ways to minimize's the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Proposed Collection Title: Office of Minority Health Research Coordination Training and Mentor Programs Applications in use with OMB Control Number 0925-0748, exp., date 12/31/2019 REVISION, National Institute of Diabetes and Digestive and Kidney Diseases (NIDDK), National Institutes of Health (NIH),

Need and Use of Information Collection: In 2000, the National Institute of Diabetes and Digestive and Kidney Diseases of the National Institutes of Health established the Office of Minority Health Research Coordination to address the burden of diseases and disorders that disproportionately impact the health of minority populations. One of the major goals of the office is to build and sustain a pipeline of researchers from underrepresented populations in the biomedical, behavioral, clinical, and social sciences, with a focus on NIDDK mission areas. The office accomplishes this goal by administering a variety of programs and initiatives to recruit high school through post-doctoral educational level individuals into OMHRC research training and mentor programs: The Short-Term Research Experience for Underrepresented Persons (STEP-UP), the Diversity

Summer Research Training Program (DSRTP) for Undergraduate Students, and Network of Minority Health Research Investigators (NMRI), the NIH/ National Medical Association (NMA) Academic Career Fellow Travel Awards, and the NIDDK/National Hispanic Medical Association (NHMA) Academic Career Fellow Travel Awards.

Identification of participants to matriculate into the program and initiatives comes from applications and related forms hosted through the NIDDK website. The proposed information collection activity is necessary in order to determine the eligibility and quality of potential awardees for traineeship in these programs.

OMB approval is requested for three (3) years. There are no costs to respondents other than their time. The total estimated annualized burden hours are 3,264.

ESTIMATED ANNUALIZED BURDEN HOURS

Type of respondent	Number of respondents	Number of responses per respondent	Average time per response (in hours)	Total annual burden hour
Short-Term Research Experience for Underrepresented Persons (STEP-UP) Application	2,000	1	45/60	1,500
STEP-UP Student Feedback Form	200	1	15/60	50
Diversity Summer Research Training Program (DSRTP) Application	100	1	45/60	75
DSRTP Feedback Form	30	1	30/60	15
Network of Minority Health Research Investigators (NMRI) Enrollment Form	200	1	15/60	50
NMRI Evaluation Form	1,000	1	30/60	500
NMRI Survey Form	800	1	30/60	400
NMRI Mentor-Mentee Agreement Form	1,000	1	30/60	500
NIH/NMA Academic Career Fellow Travel Awards Application	200	1	20/60	67
NIH/NMA Feedback Form	40	1	30/60	20
NIDDK/NHMA Academic Career Fellow Travel Awards Application	200	1	20/60	67
NIDDK/NHMA Feedback Form	40	1	30/60	20
Total		5810		3,264

Dated: October 8, 2019.

Starsky Cheng,

NIDDK Project Clearance Liaison, Office of Management Policy Analysis, National Institute of Diabetes and Digestive and Kidney Diseases, National Institutes of Health.

[FR Doc. 2019-22538 Filed 10-15-19; 8:45 am]

BILLING CODE 4140-01-P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA-2019-0001]

Notice of Adjustment of Minimum Project Worksheet Amount

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: FEMA gives notice that the minimum Project Worksheet Amount under the Public Assistance program for disasters and emergencies declared on or after October 1, 2019, will be increased.

DATES: This adjustment applies to major disasters and emergencies declared on or after October 1, 2019.

FOR FURTHER INFORMATION CONTACT: Tod Wells, Recovery Directorate, Federal Emergency Management Agency, 500 C Street SW, Washington, DC 20472, (202) 646-3834.

SUPPLEMENTARY INFORMATION: The Robert T. Stafford Disaster Relief and Emergency Assistance Act 42 U.S.C. 5121-5207 and 44 CFR 206.202(d)(2) provide that FEMA will annually adjust the minimum Project Worksheet amount

under the Public Assistance program to reflect changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.

FEMA gives notice of an increase to \$3,300 for the minimum amount that will be approved for any Project Worksheet under the Public Assistance program for all major disasters and emergencies declared on or after October 1, 2019.

FEMA bases the adjustment on an increase in the Consumer Price Index for All Urban Consumers of 1.7 percent for the 12-month period that ended in August 2019. This is based on information released by the Bureau of Labor Statistics at the U.S. Department of Labor on September 12, 2019.

Catalog of Federal Domestic Assistance No. 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters).

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019–22470 Filed 10–15–19; 8:45 am]

BILLING CODE 9111–11–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4460–DR; Docket ID FEMA–2019–0001]

Arkansas; Major Disaster and Related Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of Arkansas (FEMA–4460–DR), dated September 13, 2019, and related determinations.

DATES: The declaration was issued September 13, 2019.

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: Notice is hereby given that, in a letter dated September 13, 2019, the President issued a major disaster declaration under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.* (the “Stafford Act”), as follows:

I have determined that the damage in certain areas of the State of Arkansas resulting from severe storms, straight-line winds, tornadoes, and flooding during the period of June 23 to June 24, 2019, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.* (the “Stafford Act”). Therefore, I declare that such a major disaster exists in the State of Arkansas.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Public Assistance in the designated areas and Hazard Mitigation throughout the State. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance and Hazard Mitigation will be limited to 75 percent of the total eligible costs.

Further, you are authorized to make changes to this declaration for the approved assistance to the extent allowable under the Stafford Act.

The Federal Emergency Management Agency (FEMA) hereby gives notice that pursuant to the authority vested in the Administrator, under Executive Order 12148, as amended, Jerry S. Thomas, of FEMA is appointed to act as the Federal Coordinating Officer for this major disaster.

The following areas of the State of Arkansas have been designated as adversely affected by this major disaster:

Madison, Newton, and Washington Counties for Public Assistance.

All areas within the State of Arkansas are eligible for assistance under the Hazard Mitigation Grant Program.

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.

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019–22464 Filed 10–15–19; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–3423–EM; Docket ID FEMA–2019–0001]

North Carolina; Amendment No. 1 to Notice of an Emergency Declaration

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of an emergency declaration for the State of North Carolina (FEMA–3423–EM), dated September 3, 2019, and related determinations.

DATES: This amendment was issued September 20, 2019.

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: Notice is hereby given that the incident period for this emergency is closed effective September 9, 2019.

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.

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019–22459 Filed 10–15–19; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4462–DR; Docket ID FEMA–2019–0001]

Louisiana; Major Disaster and Related Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of Louisiana (FEMA–4462–DR), dated September 19, 2019, and related determinations.

DATES: The declaration was issued September 19, 2019.

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: Notice is hereby given that, in a letter dated September 19, 2019, the President issued a major disaster declaration under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.* (the “Stafford Act”), as follows:

I have determined that the damage in certain areas of the State of Louisiana

resulting from flooding during the period of May 10 to July 24, 2019, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.* (the "Stafford Act"). Therefore, I declare that such a major disaster exists in the State of Louisiana.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Public Assistance in the designated areas and Hazard Mitigation throughout the State. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance and Hazard Mitigation will be limited to 75 percent of the total eligible costs.

Further, you are authorized to make changes to this declaration for the approved assistance to the extent allowable under the Stafford Act.

The Federal Emergency Management Agency (FEMA) hereby gives notice that pursuant to the authority vested in the Administrator, under Executive Order 12148, as amended, John E. Long, of FEMA is appointed to act as the Federal Coordinating Officer for this major disaster.

The following areas of the State of Louisiana have been designated as adversely affected by this major disaster:

Assumption, Caldwell, Catahoula, Concordia, East Carroll, Franklin, Iberville, Ouachita, Pointe Coupee, Rapides, St. Martin, Terrebonne, and West Feliciana Parishes for Public Assistance.

All areas within the State of Louisiana are eligible for assistance under the Hazard Mitigation Grant Program.

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.

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019–22466 Filed 10–15–19; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4420–DR; Docket ID FEMA–2019–0001]

Nebraska; Amendment No. 11 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 the State of Nebraska (FEMA–4420–DR), dated March 21, 2019, and related determinations.

DATES: This amendment was issued September 30, 2019.

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 notice of a major disaster declaration for the State of Nebraska is hereby amended to include the following area among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of March 21, 2019.

Hayes County for Public Assistance.

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.

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019–22460 Filed 10–15–19; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2019–0001]

Notice of Adjustment of Countywide Per Capita Impact Indicator

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: FEMA gives notice that the countywide per capita impact indicator under the Public Assistance program for disasters declared on or after October 1, 2019, will be increased.

DATES: This adjustment applies to major disasters declared on or after October 1, 2019.

FOR FURTHER INFORMATION CONTACT: Tod Wells, Recovery Directorate, Federal Emergency Management Agency, 500 C Street SW, Washington, DC 20472, (202) 646–3834.

SUPPLEMENTARY INFORMATION: In assessing damages for area designations under 44 CFR 206.40(b), FEMA uses a countywide per capita indicator to evaluate the impact of the disaster at the county level. FEMA will adjust the countywide per capita impact indicator under the Public Assistance program to reflect annual changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.

FEMA gives notice of an increase in the countywide per capita impact indicator to \$3.84 for all disasters declared on or after October 1, 2019.

FEMA bases the adjustment on an increase in the Consumer Price Index for All Urban Consumers of 1.7 percent for the 12-month period that ended in August 2019. The Bureau of Labor Statistics of the U.S. Department of Labor released the information on September 12, 2019.

Catalog of Federal Domestic Assistance No. 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters).

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019–22468 Filed 10–15–19; 8:45 am]

BILLING CODE 9111–11–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA-4451-DR; Docket ID FEMA-2019-0001]

Missouri; Amendment No. 5 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 the State of Missouri (FEMA-4451-DR), dated July 9, 2019, and related determinations.

DATES: This amendment was issued September 30, 2019.

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 notice of a major disaster declaration for the State of Missouri is hereby amended to include the following areas among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of July 9, 2019.

Benton, Clay, Cooper, Dunklin, Gasconade, Howard, Scott, and St. Clair Counties and the Independent City of St. Louis for Public Assistance.

Boone, Callaway, Lafayette, Lincoln, Pulaski, and St. Charles Counties for Public Assistance (already designated for Individual Assistance).

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.

Pete Gaynor,
Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019-22462 Filed 10-15-19; 8:45 am]

BILLING CODE 9111-23-P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA-2019-0002]

Final Flood Hazard Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: 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 date of February 19, 2020 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 <https://msc.fema.gov> by the date indicated above.

FOR FURTHER INFORMATION CONTACT: Rick Sacbibit, Chief, Engineering Services Branch, Federal Insurance and Mitigation Administration, FEMA, 400 C Street SW, Washington, DC 20472, (202) 646-7659, or (email) patrick.sacbibit@fema.dhs.gov; or visit the FEMA Map Information eXchange (FMIX) online at https://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 Insurance and 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 <https://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.")

Michael M. Grimm,
Assistant Administrator for Risk Management, Department of Homeland Security, Federal Emergency Management Agency.

Community	Community map repository address
Martin County, Florida and Incorporated Areas Docket No.: FEMA-B-1849	
City of Stuart	Development Department, 121 Southwest Flagler Avenue, Stuart, FL 34994.
Town of Jupiter Island	Jupiter Island Town Hall, 2 Bridge Road, Hobe Sound, FL 33455.
Town of Ocean Breeze	Ocean Breeze Town Hall, 1508 Northeast Jensen Beach Boulevard, Jensen Beach, FL 34957.
Town of Sewall's Point	Town Hall, 1 South Sewall's Point Road, Sewall's Point, FL 34996.

Community	Community map repository address
Unincorporated Areas of Martin County	Martin County Administrative Center, 2401 Southeast Monterey Road, Stuart, FL 34996.

**St. Lucie County, Florida and Incorporated Areas
Docket No.: FEMA-B-1849**

City of Fort Pierce	City Hall, 100 North U.S. Highway 1, Fort Pierce, FL 34950.
City of Port St. Lucie	Planning and Zoning Department, 121 Southwest Port St. Lucie Boulevard, Building B, Port St. Lucie, FL 34984.
Town of St. Lucie Village	St. Lucie Village Town Hall, 2841 North Old Dixie Highway, Fort Pierce, FL 34946.
Unincorporated Areas of St. Lucie County	St. Lucie County Planning and Development Department, 2300 Virginia Avenue, Fort Pierce, FL 34982.

[FR Doc. 2019-22457 Filed 10-15-19; 8:45 am]

BILLING CODE 9110-12-P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA-4429-DR; Docket ID FEMA-2019-0001]

Mississippi; Amendment No. 6 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 the State of Mississippi (FEMA-4429-DR), dated April 23, 2019, and related determinations.

DATES: This amendment was issued September 20, 2019.

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 notice of a major disaster declaration for the State of Mississippi is hereby amended to include Individual Assistance for the following areas among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of April 23, 2019.

Monroe County for Individual Assistance. Clay, Humphreys, Issaquena, Lowndes, Sharkey, Warren, and Yazoo Counties for Individual Assistance (already designated for Public Assistance).

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.

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019-22461 Filed 10-15-19; 8:45 am]

BILLING CODE 9111-23-P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA-3418-EM; Docket ID FEMA-2019-0001]

Virgin Islands; Amendment No. 1 to Notice of an Emergency Declaration

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of an emergency declaration for the territory of the U.S. Virgin Islands (FEMA-3418-EM), dated August 28, 2019, and related determinations.

DATES: This amendment was issued September 20, 2019.

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: Notice is hereby given that the incident period for this emergency is closed effective September 6, 2019.

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.

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019-22458 Filed 10-15-19; 8:45 am]

BILLING CODE 9111-23-P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA-2019-0001]

Notice of Maximum Amount of Assistance Under the Individuals and Households Program

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: FEMA gives notice of the maximum amount for assistance under the Individuals and Households Program for emergencies and major disasters declared on or after October 1, 2019.

DATES: This adjustment applies to emergencies and major disasters declared on or after October 1, 2019.

FOR FURTHER INFORMATION CONTACT: Christopher B. Smith, Recovery Directorate, Federal Emergency Management Agency, 500 C Street SW, Washington, DC 20472, (202) 212-1000.

SUPPLEMENTARY INFORMATION: Section 408 of the Robert T. Stafford Disaster

Relief and Emergency Assistance Act (the Stafford Act), 42 U.S.C. 5174, prescribes that FEMA must annually adjust the maximum amount for assistance provided under the Individuals and Households Program (IHP). FEMA gives notice that the maximum amount of IHP financial assistance provided to an individual or household under section 408 of the Stafford Act with respect to any single emergency or major disaster is \$35,500 for housing assistance and \$35,500 for other needs assistance. The increase in award amount is for any single emergency or major disaster declared on or after October 1, 2019. In addition, in accordance with 44 CFR 61.17(c), this increases the maximum amount of available coverage under any Group Flood Insurance Policy (GFIP) issued.

FEMA bases the adjustment on an increase in the Consumer Price Index for All Urban Consumers of 1.7 percent for the 12-month period, which ended in August 2019. The Bureau of Labor Statistics of the U.S. Department of Labor released the information on September 12, 2019.

Catalog of Federal Domestic Assistance No. 97.048, Federal Disaster 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.

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019-22471 Filed 10-15-19; 8:45 am]

BILLING CODE 9111-11-P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA-2019-0001]

Notice of Adjustment of Statewide Per Capita Impact Indicator

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: FEMA gives notice that the statewide per capita impact indicator under the Public Assistance program for disasters declared on or after October 1, 2019, will be increased.

DATES: This adjustment applies to major disasters declared on or after October 1, 2019.

FOR FURTHER INFORMATION CONTACT: Tod Wells, Recovery Directorate, Federal

Emergency Management Agency, 500 C Street SW, Washington, DC 20472, (202) 646-3834.

SUPPLEMENTARY INFORMATION: 44 CFR 206.48 provides that FEMA will adjust the statewide per capita impact indicator under the Public Assistance program to reflect changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.

FEMA gives notice that the statewide per capita impact indicator will be increased to \$1.53 for all disasters declared on or after October 1, 2019.

FEMA bases the adjustment on an increase in the Consumer Price Index for All Urban Consumers of 1.7 percent for the 12-month period that ended in August 2019. The Bureau of Labor Statistics of the U.S. Department of Labor released the information on September 12, 2019.

Catalog of Federal Domestic Assistance No. 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters.)

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019-22469 Filed 10-15-19; 8:45 am]

BILLING CODE 9111-11-P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA-2019-0002; Internal Agency Docket No. FEMA-B-1965]

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 January 14, 2020.

ADDRESSES: The Preliminary FIRM, and where applicable, the FIS report for each community are available for inspection at both the online location <https://www.fema.gov/preliminaryfloodhazarddata> 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 <https://msc.fema.gov> for comparison.

You may submit comments, identified by Docket No. FEMA-B-1965, to Rick Sacbibit, Chief, Engineering Services Branch, Federal Insurance and Mitigation Administration, FEMA, 400 C Street SW, Washington, DC 20472, (202) 646-7659, or (email) patrick.sacbibit@fema.dhs.gov.

FOR FURTHER INFORMATION CONTACT: Rick Sacbibit, Chief, Engineering Services Branch, Federal Insurance and Mitigation Administration, FEMA, 400 C Street SW, Washington, DC 20472, (202) 646-7659, or (email) patrick.sacbibit@fema.dhs.gov; or visit the FEMA Map Information eXchange (FMIX) online at https://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 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 https://www.floodsrp.org/pdfs/srp_overview.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 [https://](https://www.fema.gov/preliminaryflood)

www.fema.gov/preliminaryflood and the respective Community Map Repository address listed in the tables. For communities with multiple ongoing Preliminary studies, the studies can be identified by the unique project number and Preliminary FIRM date 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 <https://msc.fema.gov> for comparison.

(Catalog of Federal Domestic Assistance No. 97.022, "Flood Insurance.")

Michael M. Grimm,
Assistant Administrator for Risk Management, Department of Homeland Security, Federal Emergency Management Agency.

Community	Community map repository address
Red Lake County, Minnesota and Incorporated Areas Project: 17-05-1534S Preliminary Date: March 29, 2019	
City of Brooks	Brooks Community Federal Credit Union, 200 Main Street, Brooks, MN 56715.
City of Oklee	Oklee Municipal Center, 301 Main Street, Oklee, MN 56742.
City of Plummer	City Hall, 170 Central Avenue East, Plummer, MN 56748.
City of Red Lake Falls	City Hall, 108 2nd Street Southwest, Red Lake Falls, MN 56750.
Red Lake Band of Chippewa Tribe	Red Lake Nation Government Center, 15484 Migizi Drive, Red Lake, MN 56671.
Unincorporated Areas of Red Lake County	Red Lake County Courthouse, 124 Langevin Avenue, Red Lake Falls, MN 56750.
Lorain County, Ohio and Incorporated Areas Project: 13-05-1799S Preliminary Date: July 12, 2019	
City of Avon Lake	City Hall, Engineering and Public Works Department, 150 Avon Beldon Road, Avon Lake, OH 44012.
City of Lorain	City Hall, Engineering Department, 200 West Erie Avenue, 4th Floor, Lorain, OH 44052.

[FR Doc. 2019-22455 Filed 10-15-19; 8:45 am]
BILLING CODE 9110-12-P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA-4461-DR; Docket ID FEMA-2019-0001]

Illinois; Major Disaster and Related Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of Illinois (FEMA-4461-DR), dated September 19, 2019, and related determinations.

DATES: The declaration was issued September 19, 2019.

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: Notice is hereby given that, in a letter dated September 19, 2019, the President issued a major disaster declaration under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.* (the "Stafford Act"), as follows:

I have determined that the damage in certain areas of the State of Illinois resulting from severe storms and flooding during the period of February 24 to July 3, 2019, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.* (the "Stafford Act"). Therefore, I declare that such a major disaster exists in the State of Illinois.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Public Assistance in the designated areas and Hazard Mitigation throughout the State. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance and Hazard Mitigation be limited to 75 percent of the total eligible costs.

Further, you are authorized to make changes to this declaration for the approved assistance to the extent allowable under the Stafford Act.

The Federal Emergency Management Agency (FEMA) hereby gives notice that pursuant to the authority vested in the Administrator, under Executive Order 12148, as amended, Nancy Casper, of FEMA is appointed to act as the Federal Coordinating Officer for this major disaster.

The following areas of the State of Illinois have been designated as adversely affected by this major disaster:

Adams, Alexander, Bureau, Calhoun, Carroll, Cass, Fulton, Greene, Hancock, Henderson, Henry, Jackson, Jersey, Knox, Madison, Mercer, Monroe, Morgan, Pike, Randolph, Rock Island, Schuyler, Scott, St. Clair, Stephenson, Union, and Whiteside Counties for Public Assistance.

All areas within the State of Illinois are eligible for assistance under the Hazard Mitigation Grant Program.

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.

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019–22465 Filed 10–15–19; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2019–0001]

Notice of Adjustment of Disaster Grant Amounts

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: FEMA gives notice of an adjustment to the threshold for Small Project subgrants made to state, tribal, and local governments and private nonprofit facilities for disasters declared on or after October 1, 2019.

DATES: This adjustment applies to major disasters and emergencies declared on or after October 1, 2019.

FOR FURTHER INFORMATION CONTACT: Tod Wells, Recovery Directorate, Federal Emergency Management Agency, 500 C Street SW, Washington, DC 20472, (202) 646–3834.

SUPPLEMENTARY INFORMATION: The Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C.

5121–5207, as amended by the Sandy Recovery Improvement Act, Public Law 113–2, provides that FEMA will annually adjust the threshold for assistance provided under section 422, Simplified Procedures, relating to the Public Assistance program, to reflect changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.

FEMA gives notice that \$131,100 is the threshold for any Small Project subgrant made to state, tribal, and local governments or to the owner or operator of an eligible private nonprofit facility under section 422 of the Stafford Act for all major disasters or emergencies declared on or after October 1, 2019.

FEMA bases the adjustment on an increase in the Consumer Price Index for All Urban Consumers of 1.7 percent for the 12-month period that ended in August 2019. This is based on information released by the Bureau of Labor Statistics at the U.S. Department of Labor on September 12, 2019.

Catalog of Federal Domestic Assistance No. 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters).

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019–22472 Filed 10–15–19; 8:45 am]

BILLING CODE 9111–11–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4454–DR; Docket ID FEMA–2019–0001]

Texas; Major Disaster and Related Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of Texas (FEMA–4454–DR), dated July 17, 2019, and related determinations.

DATES: The declaration was issued July 17, 2019.

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: Notice is hereby given that, in a letter dated July 17, 2019, the President issued a major disaster declaration under the authority of the Robert T. Stafford Disaster Relief

and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.* (the “Stafford Act”), as follows:

I have determined that the damage in certain areas of the State of Texas resulting from severe storms and flooding during the period of June 24 to June 25, 2019, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.* (the “Stafford Act”). Therefore, I declare that such a major disaster exists in the State of Texas.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Individual Assistance in the designated areas and Hazard Mitigation throughout the State. Consistent with the requirement that Federal assistance supplement State and Local efforts, any Federal funds provided for Hazard Mitigation under section 404 of the Stafford Act or Other Needs Assistance under section 408 of the Stafford Act may not exceed 75 percent of the total eligible costs for those respective programs.

Further, you are authorized to make changes to this declaration for the approved assistance to the extent allowable under the Stafford Act.

The time period prescribed for the implementation of section 310(a), Priority to Certain Applications for Public Facility and Public Housing Assistance, 42 U.S.C. 5153, shall be for a period not to exceed six months after the date of this declaration.

The Federal Emergency Management Agency (FEMA) hereby gives notice that pursuant to the authority vested in the Administrator, under Executive Order 12148, as amended, Sandra L. Eslinger, of FEMA is appointed to act as the Federal Coordinating Officer for this major disaster.

The following areas of the State of Texas have been designated as adversely affected by this major disaster:

Cameron, Hidalgo, and Willacy Counties for Individual Assistance.

All areas within the State of Texas are eligible for assistance under the Hazard Mitigation Grant Program.

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.

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019-22467 Filed 10-15-19; 8:45 am]

BILLING CODE 9111-23-P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA-4458-DR; Docket ID FEMA-2019-0001]

Louisiana; Amendment No. 1 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 the State of Louisiana (FEMA-4458-DR), dated August 27, 2019, and related determinations.

DATES: This amendment was issued September 30, 2019.

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 notice of a major disaster declaration for the State of Louisiana is hereby amended to include the following areas among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of August 27, 2019.

Lafayette Parish for Public Assistance; Livingston, Pointe Coupee, St. Bernard, and St. Martin Parishes for debris removal and emergency protective measures (Categories A and B), including direct Federal assistance.

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.

Pete Gaynor,

Acting Administrator, Federal Emergency Management Agency.

[FR Doc. 2019-22463 Filed 10-15-19; 8:45 am]

BILLING CODE 9111-23-P

DEPARTMENT OF THE INTERIOR

Geological Survey

[GX19GC009PLFM00]

Public Meeting of the National Cooperative Geologic Mapping Program (NCGMP) and National Geological and Geophysical Data Preservation Program (NGGDPP) Advisory Committee

AGENCY: U.S. Geological Survey, Interior.

ACTION: Notice of public meeting.

SUMMARY: In accordance with the Federal Advisory Committee Act of 1972, the U.S. Geological Survey (USGS) is publishing this notice to announce that a Federal Advisory Committee meeting of the NCGMP and NGGDPP will take place.

DATES: The meeting will be held on Thursday, October 31, 2019, via teleconference, specific time of meeting to be determined.

ADDRESSES: The meeting will be hosted by the USGS via teleconference. For teleconference details, please refer to the contact information below.

FOR FURTHER INFORMATION CONTACT: Michael J. Marketti, U.S. Geological Survey, 12201 Sunrise Valley Drive, Mail Stop 908, Reston, VA 20192, or by email at mmarketti@usgs.gov.

SUPPLEMENTARY INFORMATION: This meeting is being held under the provisions of the Federal Advisory Committee Act of 1972 (5 U.S.C., Appendix, as amended), the Government in the Sunshine Act of 1976 (5 U.S.C. 552B, as amended), and 41 CFR 102-3.140 and 102-3.150.

Purpose of the Meeting: The NCGMP and NGGDPP Federal Advisory Committee will meet to hear updates on progress of the NCGMP towards fulfilling the purposes of the National Geologic Mapping Act of 1992, as well as updates on the NGGDPP towards fulfilling the purposes of the Energy Policy Act of 2005. The Committee, comprising of representatives from Federal agencies, state agencies, academic institutions, and private companies, shall advise the Director of the U.S. Geological Survey on planning

and implementation of the geologic mapping and data preservation programs.

Agenda: Introductions/NGGDPP recap/NGGDPP recommendations and discussion/NCGMP recap/NCGMP recommendations and discussion/other topics to be determined.

Meeting Accessibility/Special Accommodations: The meeting is open to the public. Members of the public wishing to attend the meeting via teleconference/webcast should contact Michael J. Marketti by email at mmarketti@usgs.gov to register no later than three (3) business days prior to the meeting. Individuals requiring special accommodations to access the public meeting should contact Michael J. Marketti at the email stated above or by telephone at 703-648-6976 at least five (5) days prior to the meeting so that appropriate arrangements can be made.

Public Disclosure of Comments: Time will be allowed at the meeting for any individual or organization wishing to make oral comments. To allow for full consideration of information by the committee members, written notice must be provided to Michael J. Marketti, U.S. Geological Survey, 12201 Sunrise Valley Drive, Mail Stop 908, Reston, VA 20192; by email at mmarketti@usgs.gov; or by telephone at 703-648-6976, at least three (3) days prior to the meeting. Any written comments received will be provided to the committee members.

Before including your address, phone number, email address, or other personal identifying information in your comment, please be aware that your entire comment—including your personal identifying information—may be made publicly available at any time and there is no guarantee of privacy.

John Brock,

USGS NCGMP Program Coordinator.

[FR Doc. 2019-22558 Filed 10-15-19; 8:45 am]

BILLING CODE 4338-AM-P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[20X.LLAZ921000. L14400000.BJ0000 .LXSSA2250000.241A]

Notice of Filing of Plats of Survey; Arizona

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of official filing.

SUMMARY: The plats of survey of the following described land are scheduled to be officially filed 30 days after the date of this publication in the Bureau of

Land Management (BLM), Arizona State Office, Phoenix, Arizona. The surveys announced in this notice are necessary for the management of lands administered by the agency indicated.

ADDRESSES: These plats will be available for inspection in the Arizona State Office, Bureau of Land Management, One North Central Avenue, Suite 800, Phoenix, Arizona, 85004-4427. Protests of any of these surveys should be sent to the Arizona State Director at the above address.

FOR FURTHER INFORMATION CONTACT:

Gerald Davis, Chief Cadastral Surveyor of Arizona; (602) 417-9558; gtDavis@blm.gov. Persons who use a telecommunications device for the deaf (TDD) may call the Federal Relay Service (FRS) at 1-800-877-8339 to contact the above individual during normal business hours. The FRS is available 24 hours a day, 7 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 Gila and Salt River Meridian, Arizona:

The plat, in two sheets, representing the dependent resurvey of a portion of the east boundary, a portion of the subdivisional lines, the subdivision of sections 13, 14 and 15, and a metes-and-bounds survey through sections 13, 14 and 15, Township 3 North, Range 1 West, accepted October 7, 2019, for Group 1198, Arizona.

This plat was prepared at the request of the Bureau of Land Management.

The supplemental plat, in one sheet, showing the amended lotting in sections 5 and 6, Township 18 North, Range 1 West, accepted October 7, 2019, for Group 9114, Arizona.

This plat was prepared at the request of the United States Forest Service.

The supplemental plat, in one sheet, showing the amended lotting in sections 31 and 32, Township 19 North, Range 1 West, accepted October 7, 2019, for Group 9114, Arizona.

This plat was prepared at the request of the United States Forest Service.

A person or party who wishes to protest against any of these surveys must file a written notice of protest within 30 calendar days from the date of this publication with the Arizona State Director, Bureau of Land Management, stating that they wish to protest.

A statement of reasons for a protest may be filed with the notice of protest to the State Director, or the statement of reasons must be filed with the State Director within 30 days after the protest is filed. Before including your address,

or other personal information in your protest, please be aware that your entire protest, 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: 43 U.S.C. Chap. 3.

Gerald T. Davis,

Chief Cadastral Surveyor of Arizona.

[FR Doc. 2019-22586 Filed 10-15-19; 8:45 am]

BILLING CODE 4310-32-P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLNMF020000 L1440000.EQ0000
19XL1109AF; NMNM 124890]

Notice of Realty Action; Recreation and Public Purposes Act Classification for Lease of Public Lands in Santa Fe County, New Mexico

AGENCY: Bureau of Land Management, Department of Interior.

ACTION: Notice.

SUMMARY: The Bureau of Land Management (BLM) has examined, and found suitable for classification for lease and subsequent conveyance under the provisions of the Recreation and Public Purposes (R&PP) Act, as amended, 23.39 acres of public land in Santa Fe County, New Mexico. Santa Fe County proposes to use the land to develop a multiuse accessible trail along the Santa Fe River as part of the Santa Fe River Trail Project.

DATES: Interested parties may submit written comments regarding the proposed classification of the land for lease and subsequent conveyance. Please submit written comments to Marc Jackson, Taos Field Office Manager, at the address below on or before December 2, 2019.

ADDRESSES: Written comments should be addressed to the BLM, Marc Jackson, Taos Field Office Manager, 226 Cruz Alta Rd, Taos, NM 87571-5983. Please reference "R&PP of Public Lands to Santa Fe County for Santa Fe River Trail Project" on all correspondence.

FOR FURTHER INFORMATION CONTACT: Sarah Naranjo, Realty Specialist, New Mexico State Office, 505-954-2200, email: snaranjo@blm.gov, or at the above address. Persons who use a telecommunications device for the deaf (TDD) may call the Federal Relay Service (FRS) at 1-800-877-8339 to

contact the above individual during normal business hours. The FRS is available 24 hours a day, 7 days a week, to leave a message or question for the above individual. Replies are provided during normal business hours.

SUPPLEMENTARY INFORMATION: The following described public land has been examined and found suitable for classification for lease and subsequent conveyance to Santa Fe County under Section 7 of the Taylor Grazing Act (43 U.S.C. 315f), and the provisions of the R&PP Act, as amended (43 U.S.C. 869 *et seq.*):

New Mexico Principal Meridian

T. 16 N., R. 9 E.,
Sec. 6, lots 31, 33;
T. 17 N., R. 9 E.,
Sec. 31, lots 18, 21, 22, 23, 24, 26, 28, 30.

The area described contains approximately 23.39 acres in Santa Fe County, New Mexico. The land is not needed for any Federal purpose, and is not of national significance. Conveyance is consistent with the BLM Taos Resource Management Plan, May 2012, and would be in the public interest. The proposed action increases public access by creating a long distance river trail from historic downtown Santa Fe to outer stretches of the city and into Santa Fe County. It is in compliance with Secretary Order 3373 to ensure that recreational public access of Federal land is an important consideration of any disposal of land.

The lease and conveyance, when issued, will be subject to the provisions of the R&PP Act, and applicable regulations of the Secretary of the Interior, and will contain the following reservations to the United States:

1. Right-of-way (ROW) NMNM 077262 issued to City of Santa Fe Water Division for a water pipeline to provide water to the surrounding residents across the subject parcels.

2. ROW NMNM 094983 issued to Richard Montoya for a water pipeline to his private property and residential home across the subject parcels.

3. A ROW thereon for ditches or canals constructed by authority of the United States pursuant to the Act of August 30, 1890, 43 U.S.C. 945.

4. All minerals shall be reserved to the United States, together with the right to prospect for, mine, and remove the minerals under applicable laws and such regulations as the Secretary of the Interior may prescribe including all necessary access and exit rights.

5. Any lease and conveyance will be subject to all valid existing rights.

6. Any other terms or conditions that the Authorized Officer determines appropriate to ensure public access and

proper management of the Federal land and interests therein. Subject to limitations prescribed by law and regulations, prior to conveyance, a holder of any ROW within the conveyed area may be given the opportunity to amend the ROW for conversion to a new term, including perpetuity, if applicable. Detailed information concerning this proposed project, including, but not limited to documentation relating to compliance with applicable environmental and cultural resource laws, is available for review at the BLM Taos Field Office at the address above.

Upon publication of this Notice in the **Federal Register**, the land described above will be segregated from all other forms of appropriation under the public land laws, including the general mining laws, except for conveyance under the R&PP Act, leasing under the mineral leasing laws. The segregation shall expire after an 18-month term regardless of whether or not a lease has been issued.

Classification Comments: Interested parties may submit comments involving the suitability of the land for the proposed facility. Comments on the classification are restricted to whether the land is physically suited for the proposal, whether the use will maximize the future use (or uses) of the land, whether the use is consistent with local planning and zoning, or whether the use is consistent with State and Federal Programs.

Application Comments: Interested parties may submit comments regarding the specific use proposed in the application and plan of development and management, and whether the BLM followed proper administrative procedures in reaching the decision to convey under the R & PP Act.

The BLM New Mexico State Director will review any adverse comments and may sustain, vacate, or modify this realty action. In the absence of any adverse comments, the classification of the land described in this Notice will become effective December 16, 2019. The land will not be available for conveyance until after the classification becomes effective.

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: 43 CFR 2741.5)

Melanie G. Barnes,
Deputy State Director, Land and Resources.
[FR Doc. 2019–22563 Filed 10–15–19; 8:45 am]
BILLING CODE 4310–FB–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLC0956000 L14400000.BJ0000 20X]

Notice of Filing of Plats of Survey, Colorado

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of official filing.

SUMMARY: The plats of survey of the following described lands are scheduled to be officially filed in the Bureau of Land Management (BLM), Colorado State Office, Lakewood, Colorado, 30 calendar days from the date of this publication. The surveys, which were executed at the request of the U.S. Forest Service and the BLM, are necessary for the management of these lands.

DATES: Unless there are protests of this action, the plats described in this notice will be filed on November 15, 2019.

ADDRESSES: You may submit written protests to the BLM Colorado State Office, Cadastral Survey, 2850 Youngfield Street, Lakewood, CO 80215–7210.

FOR FURTHER INFORMATION CONTACT: Randy Bloom, Chief Cadastral Surveyor for Colorado, (303) 239–3856; *rbloom@blm.gov*. Persons who use a telecommunications device for the deaf may call the Federal Relay Service at 1–800–877–8339 to contact the above individual during normal business hours. The Service 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 plat incorporating the field notes of the dependent resurvey in Township 5 South, Range 75 West, Sixth Principal Meridian, Colorado, was accepted on August 21, 2019.

The plat, in 2 sheets, incorporating the field notes of the dependent resurvey and survey in Township 47 North, Range 9 East, New Mexico Principal Meridian, Colorado, was accepted on August 23, 2019.

The plat, in 3 sheets, incorporating the field notes of the dependent resurvey and survey in Township 51 North, Range 12 East, New Mexico

Principal Meridian, Colorado, was accepted on September 9, 2019.

The plat incorporating the field notes of the dependent resurvey and survey in Township 1 North, Range 72 West, Sixth Principal Meridian, Colorado, was accepted on September 13, 2019.

The plat, in 2 sheets, incorporating the field notes of the dependent resurvey and survey in the NW1/4 of section 10 in Township 46 North, Range 6 East, New Mexico Principal Meridian, Colorado, was accepted on September 30, 2019.

A person or party who wishes to protest any of the above surveys must file a written notice of protest within 30 calendar days from the date of this publication at the address listed in the **ADDRESSES** section of this notice. A statement of reasons for the protest may be filed with the notice of protest and must be filed within 30 calendar days after the protest is filed. If a protest against the survey is received prior to the date of official filing, the filing will be stayed pending consideration of the protest. A plat will not be officially filed until the day after all protests have been dismissed or otherwise resolved.

Before including your address, phone number, email address, or other personal identifying information in your protest, please be aware that your entire protest, 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: 43 U.S.C. Chap. 3.

Randy A. Bloom,
Chief Cadastral Surveyor.

[FR Doc. 2019–22569 Filed 10–15–19; 8:45 am]
BILLING CODE 4310–JB–P

DEPARTMENT OF THE INTERIOR

National Park Service

[NPS–WASO–NAGPRA–28880;
PPWOCRADN0–PCU00RP16.R50000]

Native American Graves Protection and Repatriation Review Committee; Notice of Public Meeting

AGENCY: National Park Service, Interior.

ACTION: Meeting notice.

SUMMARY: The National Park Service is hereby giving notice that the Native American Graves Protection and Repatriation Review Committee (Review Committee) will hold one meeting via

teleconference. All meetings are open to the public.

DATES: The Review Committee will meet via teleconference on October 30, 2019, from 2:00 p.m. until approximately 6:00 p.m. (Eastern)

FOR FURTHER INFORMATION CONTACT: Melanie O'Brien, Designated Federal Officer, National Native American Graves Protection and Repatriation Act Program (2253), National Park Service, telephone (202) 354-2201, or email nagpra_info@nps.gov.

SUPPLEMENTARY INFORMATION: The Review Committee was established in section 8 of the Native American Graves Protection and Repatriation Act of 1990 (NAGPRA).

Purpose of the Meeting: The agenda will include the discussion of the Review Committee Report to Congress; and requests for disposition of Native American human remains. Information on joining the teleconference and the final agenda will be available on the National NAGPRA Program website at <https://www.nps.gov/nagpra>. The meeting is open to the public and there will be time for public comment.

General Information

Information about NAGPRA, the Review Committee, and Review Committee meetings is available on the National NAGPRA Program website at <https://www.nps.gov/nagpra>.

The Review Committee is responsible for monitoring the NAGPRA inventory and identification process; reviewing and making findings related to the identity or cultural affiliation of cultural items, or the return of such items; facilitating the resolution of disputes; compiling an inventory of culturally unidentifiable human remains that are in the possession or control of each Federal agency and museum, and recommending specific actions for developing a process for disposition of such human remains; consulting with Indian tribes and Native Hawaiian organizations and museums on matters affecting such tribes or organizations lying within the scope of work of the Review Committee; consulting with the Secretary of the Interior on the development of regulations to carry out NAGPRA; and making recommendations regarding future care of repatriated cultural items. The Review Committee's work is carried out during the course of meetings that are open to the public.

Public Disclosure of Comments: Before including your address, telephone number, email address, or other personal identifying information in your comments, 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: 5 U.S.C. Appendix 2; 25 U.S.C. 3006.

Shirley Sears,
Management Specialist, Office of Policy.
[FR Doc. 2019-22479 Filed 10-15-19; 8:45 am]
BILLING CODE 4312-52-P

DEPARTMENT OF THE INTERIOR

National Park Service

**[NPS-WASO-NRNHL-DTS#-29032;
PPWOCRADIO, PCU00RP14.R50000]**

National Register of Historic Places; Notification of Pending Nominations and Related Actions

AGENCY: National Park Service, Interior.

ACTION: Notice.

SUMMARY: The National Park Service is soliciting comments on the significance of properties nominated before September 28, 2019, for listing or related actions in the National Register of Historic Places.

DATES: Comments should be submitted by October 31, 2019.

ADDRESSES: Comments may be sent via U.S. Postal Service and all other carriers to the National Register of Historic Places, National Park Service, 1849 C St. NW, MS 7228, Washington, DC 20240.

SUPPLEMENTARY INFORMATION: The properties listed in this notice are being considered for listing or related actions in the National Register of Historic Places. Nominations for their consideration were received by the National Park Service before September 28, 2019. 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.

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.

Nominations submitted by State Historic Preservation Officers:

IOWA

Linn County

Lisbon Main Street Historic District, 101-145 E. and W. Main St., 102-122 W. Main St., Lisbon, SG100004555

MASSACHUSETTS

Worcester County

Old Settlers' Burying Ground, Main St., Lancaster, SG100004558
Jewett Piano Company Building, 140 Adams St., Leominster, SG100004559
Middle Cemetery, Main St., Lancaster, SG100004560

OHIO

Butler County

Powell-Decker Farm, 2720 Cincinnati-Brookville Rd., Fairfield, SG100004562

Cuyahoga County

WHK Studio One, 4900-5002 Euclid, Cleveland, SG100004561

OREGON

Marion County

Beauchamp Building, (Downtown Area of Stayton MPS), 395 North Third Ave., Stayton, MP100004557

WISCONSIN

Jefferson County

Stoppenbach, Emil and Flora, House, 207 E. Racine St., Jefferson, SG100004596

Sawyer County

Moody's Camp Lodge, 10472 W. Murphy Blvd., Spider Lake, SG100004556

A request for removal has been made for the following resources:

GEORGIA

Meriwether County

Warner-Hill House, La Grange Rd., Greenville vicinity, OT74000693

Terrell County

Dawson Woman's Clubhouse, 311 6th Ave., Dawson, OT82002484

Additional documentation has been received for the following resource:

MICHIGAN

Emmet County

Douglas, James and Jean, House, 3490 S. Lake Shore Dr., Friendship Township, AD16000232

Nominations submitted by Federal Preservation Officers:

The State Historic Preservation Officer reviewed the following nominations and responded to the Federal Preservation Officer within 45 days of receipt of the nominations and supports listing the properties in the National Register of Historic Places.

ARIZONA**Coconino County**

Sunset Crater-Cinder Lake Apollo Mission Testing and Training Historic District, Roughly bounded by Sunset Crater Volcano National Monument and Sunset Crater, West Quadrangle, Flagstaff, SG100004595

CALIFORNIA**San Bernardino County**

Cut Spring Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near Cima Rd., Cima, MP100004567

Kessler Spring Ranch Headquarters, (Historic Ranching Resources within Mojave National Preserve MPS), Cima Rd., Cima, MP100004568

White Rock Spring Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near Cima Rd., Cima, MP100004569

Cut Tank Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near Morningstar Mine Rd., Cima, MP100004570

Cottonwood Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near Morningstar Mine Rd., Cima, MP100004571

6 Mile Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Morningstar Rd., Cima, MP100004572

10 Mile Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near Morningstar Mine Rd., Cima, MP100004573

Thomas Place Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near Cedar Canyon Rd., Cima, MP100004574

8 Mile Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near Kelso-Cima Rd., Cima, MP100004575

Marl Spring Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near Old Government Rd., Kelso, MP100004576

Barnwell RSLCC Headquarters, (Historic Ranching Resources within Mojave National Preserve MPS), Hart Mine Rd. near Ivanpah Rd., Nipton, MP100004577

Barnwell Corral and Wells, (Historic Ranching Resources within Mojave National Preserve MPS), Near Barnwell on Hart Mine Rd., Nipton, MP100004578

Dove Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Remote location in New York Mountains, Nipton, MP100004579

OX Ranch Headquarters, (Historic Ranching Resources within Mojave National Preserve MPS), Lanfair Rd., Goffs, MP100004580

Pipeline Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near Lanfair Rd., Goffs, MP100004581

Hackberry Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near Lanfair Rd., Goffs, MP100004583

Lanfair Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near Lanfair Rd., Goffs, MP100004584

Payne Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Off Cedar Canyon Rd. near Rock Spring, Cima, MP100004585

Government Holes, (Historic Ranching Resources within Mojave National Preserve MPS), Cedar Canyon Rd. near Rock Spring, Cima, MP100004586

Watson Well Corral, (Historic Ranching Resources within Mojave National Preserve MPS), S. of Cedar Canyon Rd., Cima, MP100004587

Valley View Ranch Headquarters, (Historic Ranching Resources within Mojave National Preserve MPS), Near Cima Rd., Cima, MP100004588

Valley View Ranch Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near Cima Rd., Cima, MP100004589

Deer Spring Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near Cima Rd., Cima, MP100004590

Natural Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near I 15, Baker, MP100004591

Black Tank Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near I 15, Baker, MP100004592

Rock Tank Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Near I 15, Baker, MP100004593

Murphy Well Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Nipton Rd., Nipton, MP100004594

San Diego County

Piute Dry Corral, (Historic Ranching Resources within Mojave National Preserve MPS), Ten miles E. of Lanfair Rd., Goffs, MP100004582

Authority: Section 60.13 of 36 CFR part 60.

Dated: September 30, 2019.

Julie Ernstein,

Supervisory Archeologist, National Register of Historic Places/National Historic Landmarks Program.

[FR Doc. 2019-22534 Filed 10-15-19; 8:45 am]

BILLING CODE 4312-52-P

INTERNATIONAL TRADE COMMISSION**Notice of Receipt of Complaint; Solicitation of Comments Relating to the Public Interest**

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has received a complaint entitled *Certain Foldable Reusable Drinking Straws and Components Thereof, DN 3415*; the Commission is soliciting comments on any public interest issues raised by the complaint or complainant's filing pursuant to the Commission's Rules of Practice and Procedure.

FOR FURTHER INFORMATION CONTACT: Lisa R. Barton, Secretary to the Commission, U.S. International Trade Commission,

500 E Street SW, Washington, DC 20436, telephone (202) 205-2000. The public version of the complaint can be accessed on the Commission's Electronic Document Information System (EDIS) at <https://edis.usitc.gov>, and will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436, telephone (202) 205-2000.

General information concerning the Commission may also be obtained by accessing its internet server at United States International Trade Commission (USITC) at <https://www.usitc.gov>. The public record for this investigation may be viewed on the Commission's Electronic Document Information System (EDIS) at <https://edis.usitc.gov>. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205-1810.

SUPPLEMENTARY INFORMATION: The Commission has received a complaint and a submission pursuant to § 210.8(b) of the Commission's Rules of Practice and Procedure filed on behalf of The Final Co. LLC on October 9, 2019. The complaint alleges violations of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain foldable reusable drinking straws and components thereof. The complaint names as respondents: Huizhou Sinri Technology Company Limited of China; Hebei Serun Import and Export Trade Co., Ltd. of China; Dongguan Stirling Metal Products Co., Ltd. of China; Ningbo Wwpartner Plastic Manufacture Co., Ltd. of China; Shenzhen Yuanzhen Technology Co., Ltd. of China; Jiangmen Boyan Houseware Co., Ltd. of China; Shanghai Rbin Industry And Trade Co., Ltd. of China; Jiangmen Shengke Hardware Products Co., Ltd. of China; Funan Anze Trading Co., Ltd. of China; Hangzhou Keteng Trade Co., Ltd. of China; Hunan Jiudi Shiye Import And Export Trading Co., Ltd. of China; Shenzhen Yaya Gifts Co., Ltd. of China; Ningbo Weixu International Trade Co., Ltd. of China; Ningbo Beland Commodity Co., Ltd. of China; Xiamen One X Piece Imp. & Exp. Co., Ltd. of China; Hunan Champion Top Technology Co., Ltd. of China; and Yiwu Lizhi Trading Firm of China. The complainant requests that the Commission issue a general exclusion order or in the alternative, a limited

exclusion order, and cease and desist orders.

Proposed respondents, other interested parties, and members of the public are invited to file comments on any public interest issues raised by the complaint or § 210.8(b) filing. Comments should address whether issuance of the relief specifically requested by the complainant in this investigation would affect the public health and welfare in the United States, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, or United States consumers.

In particular, the Commission is interested in comments that:

(i) Explain how the articles potentially subject to the requested remedial orders are used in the United States;

(ii) identify any public health, safety, or welfare concerns in the United States relating to the requested remedial orders;

(iii) identify like or directly competitive articles that complainant, its licensees, or third parties make in the United States which could replace the subject articles if they were to be excluded;

(iv) indicate whether complainant, complainant's licensees, and/or third party suppliers have the capacity to replace the volume of articles potentially subject to the requested exclusion order and/or a cease and desist order within a commercially reasonable time; and

(v) explain how the requested remedial orders would impact United States consumers.

Written submissions on the public interest must be filed no later than by close of business, eight calendar days after the date of publication of this notice in the **Federal Register**. There will be further opportunities for comment on the public interest after the issuance of any final initial determination in this investigation. Any written submissions on other issues must also be filed by no later than the close of business, eight calendar days after publication of this notice in the **Federal Register**. Complainant may file replies to any written submissions no later than three calendar days after the date on which any initial submissions were due. Any submissions and replies filed in response to this Notice are limited to five (5) pages in length, inclusive of attachments.

Persons filing written submissions must file the original document electronically on or before the deadlines stated above and submit 8 true paper

copies to the Office of the Secretary by noon the next day pursuant to § 210.4(f) of the Commission's Rules of Practice and Procedure (19 CFR 210.4(f)). Submissions should refer to the docket number ("Docket No. 3415") in a prominent place on the cover page and/or the first page. (See Handbook for Electronic Filing Procedures, Electronic Filing Procedures¹). Persons with questions regarding filing should contact the Secretary (202-205-2000).

Any person desiring to submit a document to the Commission in confidence must request confidential treatment. All such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. See 19 CFR 201.6. Documents for which confidential treatment by the Commission is properly sought will be treated accordingly. All information, including confidential business information and documents for which confidential treatment is properly sought, submitted to the Commission for purposes of this Investigation may be disclosed to and used: (i) By the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel,² solely for cybersecurity purposes. All nonconfidential written submissions will be available for public inspection at the Office of the Secretary and on EDIS.³

This action is taken under the authority of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and of §§ 201.10 and 210.8(c) of the Commission's Rules of Practice and Procedure (19 CFR 201.10, 210.8(c)).

By order of the Commission.

Issued: October 10, 2019.

Lisa Barton,

Secretary to the Commission.

[FR Doc. 2019-22553 Filed 10-15-19; 8:45 am]

BILLING CODE 7020-02-P

¹ Handbook for Electronic Filing Procedures: https://www.usitc.gov/documents/handbook_on_filing_procedures.pdf.

² All contract personnel will sign appropriate nondisclosure agreements.

³ Electronic Document Information System (EDIS): <https://edis.usitc.gov>.

DEPARTMENT OF JUSTICE

Foreign Claims Settlement Commission

Privacy Act of 1974; System of Records

AGENCY: Foreign Claims Settlement Commission of the United States, Department of Justice.

ACTION: Notice of a New System of Records.

SUMMARY: Pursuant to the Privacy Act of 1974 and Office of Management and Budget (OMB) Circular No. A-108, notice is hereby given that the Foreign Claims Settlement Commission of the United States (Commission), a component within the United States Department of Justice (DOJ or Department), proposes to rescind the system of records notice titled East Germany, Registration of Claims Against, FCSC-10. The Commission proposes to rescind this systems of records because it has completed its work associated with the records and destroyed the records in accordance with the approved disposition schedule.

DATES: All of the records described below were destroyed in January 1999.

ADDRESSES: The public, OMB, and Congress are invited to submit any comments via email at info.fcsc@usdoj.gov or by mail to the Foreign Claims Settlement Commission, 441 G Street NW, Room 6330, Washington, DC 20579.

FOR FURTHER INFORMATION CONTACT:

Jeremy LaFrancois, Chief Administrative Counsel, Foreign Claims Settlement Commission, U.S. Department of Justice, 441 G Street NW, Room 6330, Washington, DC 20579, or by telephone at (202) 616-6975.

SUPPLEMENTARY INFORMATION: The Privacy Act provides that an agency may only collect or maintain in its records information about individuals that is relevant and necessary to accomplish a purpose that is required by statute or executive order. If a system of records is comprised of records that no longer meet that standard, the Privacy Act may require that the agency stop maintain the system and expunge the records in accordance with the requirements in the SORN and the applicable records retention or disposition schedule approved by the National Archives and Records Administration. The system of records listed below was created by the Commission in the course of its adjudication of claims of U.S. citizens against foreign governments. The Commission has now concluded the

program associated with this system of records and has destroyed the records in accordance with the approved disposition schedule.

In accordance with 5 U.S.C. 552a(r), the Department has provided a report to OMB and Congress on the modifications to this systems of records.

SYSTEM NAME AND NUMBER:

FCSC-10, East Germany, Registration of Claims Against

HISTORY:

FCSC-10—64 FR 31296, 71 FR 66347, 71 FR 70426, 72 FR 6746, 72 FR 49731

Dated: October 10, 2019.

Jeremy R. LaFrancois,
Chief Administrative Counsel.

[FR Doc. 2019-22500 Filed 10-15-19; 8:45 am]

BILLING CODE 4410-BA-P

DEPARTMENT OF JUSTICE

Foreign Claims Settlement Commission

Privacy Act of 1974; System of Records

AGENCY: Foreign Claims Settlement Commission of the United States, Department of Justice.

ACTION: Rescindment of a System of Records Notice.

SUMMARY: Pursuant to the Privacy Act of 1974 and Office of Management and Budget (OMB) Circular No. A-108, notice is hereby given that the Foreign Claims Settlement Commission of the United States (Commission), a component within the United States Department of Justice (DOJ) or Department), proposes to rescind the Commission System of Records Notices for the Commission systems of records listed below. The Commission proposes to rescind these systems of records because it has completed its work associated with the records and has transferred custody of the records to the National Archives.

DATES: All of the records described below were transferred to the custody of the National Archives prior to January 1, 2018.

ADDRESSES: The public, OMB, and Congress are invited to submit any comments via email at info.fcsc@usdoj.gov or by mail to the Foreign Claims Settlement Commission, 441 G Street NW, Room 6330, Washington, DC 20579.

FOR FURTHER INFORMATION CONTACT: Jeremy LaFrancois, Chief Administrative Counsel, Foreign Claims Settlement Commission, U.S.

Department of Justice, 441 G Street NW, Room 6330, Washington, DC 20579, or by telephone at (202) 616-6975.

SUPPLEMENTARY INFORMATION: The Privacy Act provides that an agency may only collect or maintain in its records information about individuals that is relevant and necessary to accomplish a purpose that is required by statute or executive order. If a system of records is comprised of records that no longer meet that standard, the Privacy Act may require that the agency stop maintain the system and expunge the records in accordance with the requirements in the SORN and the applicable records retention or disposition schedule approved by the National Archives and Records Administration. Each of the systems of records listed below was created by the Commission in the course of its adjudication of claims of U.S. citizens against foreign governments. The Commission has now concluded the programs associated with these systems of records and has transferred the records to the National Archives and Records Administration for permanent storage by that agency in accordance with approved disposition schedules.

In accordance with 5 U.S.C. 552a(r), the Department has provided a report to OMB and Congress on the modifications to these systems of records.

SYSTEM NAME AND NUMBER:

FCSC-9, Czechoslovakia, Claims Against (2nd Program)
FCSC-11, Federal Republic of Germany, Questionnaire Inquiries From
FCSC-12, Hungary, Claims Against (2nd Program)
FCSC-14, Micronesia, Claims Arising in
FCSC-16, Prisoners of War (Pueblo)
FCSC-21, German Democratic Republic, Claims Against
FCSC-23, Vietnam, Claims for Losses Against
FCSC-24, Ethiopia, Claims for Losses Against

HISTORY:

FCSC-9—64 FR 31296, 71 FR 66347, 71 FR 70426, 72 FR 6746, 72 FR 49731
FCSC-11—64 FR 31296, 71 FR 66347, 71 FR 70426, 72 FR 6746, 72 FR 49731
FCSC-12—64 FR 31296, 71 FR 66347, 71 FR 70426, 72 FR 6746, 72 FR 49731
FCSC-14—64 FR 31296, 71 FR 66347, 71 FR 70426, 72 FR 6746, 72 FR 49731
FCSC-16—64 FR 31296, 71 FR 66347, 71 FR 70426, 72 FR 6746, 72 FR 49731
FCSC-21—64 FR 31296, 71 FR 66347, 71 FR 70426, 72 FR 6746, 72 FR 49731
FCSC-23—64 FR 31296, 71 FR 66347, 71 FR 70426, 72 FR 6746, 72 FR 49731
FCSC-24—64 FR 31296, 71 FR 66347, 71 FR 70426, 72 FR 6746, 72 FR 49731

Dated: October 10, 2019.

Jeremy R. LaFrancois,
Chief Administrative Counsel.

[FR Doc. 2019-22498 Filed 10-15-19; 8:45 am]

BILLING CODE 4410-BA-P

DEPARTMENT OF JUSTICE

Foreign Claims Settlement Commission

[F.C.S.C. Meeting and Hearing Notice No. 07-19]

Sunshine Act Meeting

The Foreign Claims Settlement Commission, pursuant to its regulations (45 CFR part 503.25) and the Government in the Sunshine Act (5 U.S.C. 552b), hereby gives notice in regard to the scheduling of open meetings as follows:

TIME AND DATE: Thursday, October 24, 2019, at 10:00 a.m.

PLACE: All meetings are held at the Foreign Claims Settlement Commission, 441 G St NW, Room 6234, Washington, DC.

STATUS: Open.

MATTERS TO BE CONSIDERED:

10:00 a.m.—Issuance of Proposed Decisions in claims against Iraq.

10:30 a.m.—Issuance of Proposed Decisions under the Guam World War II Loyalty Recognition Act, Title XVII, Public Law 114-328.

CONTACT PERSON FOR MORE INFORMATION:

Requests for information, or advance notices of intention to observe an open meeting, may be directed to: Patricia M. Hall, Foreign Claims Settlement Commission, 441 G St NW, Room 6234, Washington, DC 20579. Telephone: (202) 616-6975.

Brian Simkin,
Chief Counsel.

[FR Doc. 2019-22625 Filed 10-11-19; 11:15 am]

BILLING CODE 4410-BA-P

DEPARTMENT OF JUSTICE

[OMB Number 1121-0030]

Agency Information Collection Activities; Proposed eCollection eComments Requested; Extension of a Currently Approved Collection: Capital Punishment Report of Inmates Under Sentence of Death

AGENCY: Bureau of Justice Statistics, Department of Justice.

ACTION: 60-Day notice.

SUMMARY: The Department of Justice (DOJ), Office of Justice Programs,

Bureau of Justice Statistics, 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 of 1995.

DATES: Comments are encouraged and will be accepted for 60 days until December 16, 2019.

FOR FURTHER INFORMATION CONTACT: If you have additional comments especially on the estimated public burden or associated response time, suggestions, or need a copy of the proposed information collection instrument with instructions or additional information, please contact Tracy L. Snell, Statistician, Bureau of Justice Statistics, 810 Seventh Street NW, Washington, DC 20531 (email: Tracy.L.Snell@usdoj.gov; telephone: 202-616-3288).

SUPPLEMENTARY INFORMATION: Written comments and suggestions from the public and affected agencies concerning the proposed collection of information are encouraged. Your comments should address one or more of the following four points:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the Bureau of Justice Statistics, 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;
- Evaluate whether and if so how the quality, utility, and clarity of the information to be collected can be enhanced; 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.

Overview of This Information Collection

(1) *Type of Information Collection:* Extension of a currently approved collection.

(2) *The Title of the Form/Collection:* Capital Punishment Report of Inmates Under Sentence of Death.

(3) *The agency form number, if any, and the applicable component of the Department sponsoring the collection:* Form numbers for the questionnaire are NPS-8 (Report of Inmates Under Sentence of Death; NPS-8A (Update

Report of Inmates Under Sentence of Death); NPS-8B (Status of Death Penalty Statutes—No Statute in Force); and NPS-8C (Status of Death Penalty Statutes—Statute in Force). The applicable component within the Department of Justice is the Bureau of Justice Statistics, in the Office of Justice Programs.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Respondents will be staff from state departments of correction, state Attorneys General, and the Federal Bureau of Prisons. Staff responsible for keeping records on inmates under sentence of death in their jurisdiction and in their custody are asked to provide information for each individual under sentence of death for the following characteristics: Condemned inmates' demographic characteristics, legal status at the time of capital offense, capital offense for which imprisoned, number of death sentences imposed, criminal history information, reason for removal and current status if no longer under sentence of death, method of execution, and cause of death by means other than execution. Personnel in the offices of each Attorney General are asked to provide information regarding the status of death penalty laws and any changes to the laws enacted during the reference year. The Bureau of Justice Statistics uses this information in published reports and in responding to queries from the U.S. Congress, Executive Office of the President, the U.S. Supreme Court, state officials, international organizations, researchers, students, the media, and others interested in criminal justices statistics.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 46 responses at 30 minutes each for the NPS-8; 2,707 responses at 30 minutes for the NPS-8A; and 52 responses at 15 minutes each for the NPS-8B and NPS-8C. The 37 NPS-8/8A respondents and 52 NPS-8B/8C respondents have the option to provide responses using either paper or web-based questionnaires. The burden estimate is based on feedback from respondents in the most recent data collection.

(6) *An estimate of the total public burden (in hours) associated with the collection:* There is an estimated 1,525.5 total burden hours associated with this collection.

If additional information is required contact: Melody Braswell, Department Clearance Officer, United States Department of Justice, Justice Management Division, Policy and Planning Staff, Two Constitution

Square, 145 N Street NE, 3E.405A, Washington, DC 20530.

Dated: October 10, 2019.

Melody Braswell,

Department Clearance Officer for PRA, U.S. Department of Justice.

[FR Doc. 2019-22491 Filed 10-15-19; 8:45 am]

BILLING CODE 4410-18-P

DEPARTMENT OF LABOR

Office of the Secretary

Agency Information Collection Activities; Submission for OMB Review; Comment Request; High-Voltage Continuous Mining Machines Standards for Underground Coal Mines

ACTION: Notice of availability; request for comments.

SUMMARY: The Department of Labor (DOL) is submitting the Mine Safety and Health Administration (MSHA) sponsored information collection request (ICR) titled, "High-Voltage Continuous Mining Machines Standards for Underground Coal Mines," to the Office of Management and Budget (OMB) for review and approval for continued use, without change, in accordance with the Paperwork Reduction Act of 1995 (PRA). Public comments on the ICR are invited.

DATES: The OMB will consider all written comments that agency receives on or before November 15, 2019.

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 website at http://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=201906-1219-002 (this link will only become active on the day following publication of this notice) or by contacting Frederick Licari by telephone at 202-693-8073, TTY 202-693-8064, (these are not toll-free numbers) or by email at DOL_PRA_PUBLIC@dol.gov.

Submit comments about this request by mail to the Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for DOL-MSHA, 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: Frederick Licari by telephone at 202-693-8073, TTY 202-693-8064, (these are not toll-free numbers) or by email at DOL_PRA_PUBLIC@dol.gov.

SUPPLEMENTARY INFORMATION: This ICR seeks to extend PRA authority for the High-Voltage Continuous Mining Machines Standards for Underground Coal Mines information collection. This information collection maintains the safe use of high-voltage continuous mining machines (HVCMMs) in underground coal mines by requiring testing, examination and maintenance on machines to reduce fire, electrical shock, ignition and operation hazards. Sections 103(h) and 101(a) of the Federal Mine Safety and Health Act of 1977 authorize this information collection. See 30 U.S.C. 811.

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 1219-0140.

OMB authorization for an ICR cannot be for more than three (3) years without renewal, and the current approval for this collection is scheduled to expire on October 31, 2019. The DOL seeks to extend PRA authorization for this information collection for three (3) more years, without any change to existing requirements. The DOL notes that existing information collection requirements submitted to the OMB receive a month-to-month extension while they undergo review. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on July 31, 2019 (84 FR 37351).

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 1219-0140. 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-MSHA.

Title of Collection: High-Voltage Continuous Mining Machines Standards for Underground Coal Mines.

OMB Control Number: 1219-0140.

Affected Public: Private Sector—Businesses or Other For-Profits.

Total Estimated Number of Respondents: 3.

Total Estimated Number of Responses: 4,810.

Total Estimated Annual Time Burden: 148 hours.

Total Estimated Annual Other Costs Burden: \$0.

Authority: 44 U.S.C. 3507(a)(1)(D).

Dated: October 8, 2019.

Frederick Licari,

Departmental Clearance Officer.

[FR Doc. 2019-22490 Filed 10-15-19; 8:45 am]

BILLING CODE 4510-43-P

LEGAL SERVICES CORPORATION

Sunshine Act Meeting

DATE AND TIME: The Legal Services Corporation's Board of Directors and its six committees will meet October 20-22, 2019. On Sunday, October 20, the first meeting will commence at 3:00 p.m., Mountain Daylight Time (MDT), with the meetings thereafter commencing promptly upon adjournment of the immediately preceding meeting. On Monday, October 21, the first meeting will commence at 8:00 a.m., (MDT), with the next meeting commencing promptly upon

adjournment of the immediately preceding meeting. On Tuesday, October 22, the open session meeting of the Board of Directors will commence at 9:45 a.m. (MDT). The closed session meeting of the Board of Directors will commence promptly upon adjournment of the open session of the Board of Directors meeting.

LOCATION: Kimpton Hotel Monaco, 15 West 200 South, Salt Lake City, Utah 84101.

PUBLIC OBSERVATION: Unless otherwise noted herein, the Board and all committee meetings will be open to public observation. Members of the public who are unable to attend in person but wish to listen to the public proceedings may do so by following the telephone call-in directions provided below.

CALL-IN DIRECTIONS FOR OPEN SESSIONS:

- *Call toll-free number:* 1-866-451-4981;
- *When prompted, enter the following numeric pass code:* 5907707348.
- Once connected to the call, your telephone line will be *automatically "MUTED"*.
- To participate in the meeting during public comment press #6 to "UNMUTE" your telephone line, once you have concluded your comments please press *6 to "MUTE" your line.

Members of the public are asked to keep their telephones muted to eliminate background noises. To avoid disrupting the meeting, please refrain from placing the call on hold if doing so will trigger recorded music or other sound. From time to time, the presiding Chair may solicit comments from the public.

Meeting Schedule

	Time *
Sunday, October 20, 2019:	3:00 p.m.
1. Institutional Advancement Committee.	
2. Communications Subcommittee of the Institutional Advancement Committee.	
3. Operations & Regulations Committee.	
4. Audit Committee.	
Monday, October 21, 2019:	8:00 a.m.
1. Finance Committee.	
2. Governance & Performance Review Committee.	
3. Delivery of Legal Services Committee.	
Tuesday, October 22, 2019:	9:45 a.m.
1. OPEN Board Meeting.	
2. CLOSED Board Meeting.	

* Please note that all times in this notice are Mountain Daylight Time.

STATUS OF MEETING: Open, except as noted below.

Board of Directors—Open, except that, upon a vote of the Board of Directors, a portion of the meeting may be closed to the public to hear briefings by management and LSC's Inspector General, and to consider and act on the General Counsel's report on potential and pending litigation involving LSC, and on a list of prospective funders.

Audit Committee—Open, except that, upon a vote of the Board of Directors, the meeting may be closed to the public to hear a briefing on the Office of Compliance and Enforcement's active enforcement matters.**

Institutional Advancement Committee—Open, except that, upon a vote of the Board of Directors, the meeting may be closed to the public to consider and act on recommendation of new Leaders Council invitees and to receive a briefing on the development activities.**

A verbatim written transcript will be made of the closed session of the Board, Institutional Advancement Committee, and Audit Committee meetings. The transcript of any portions of the closed sessions falling within the relevant provisions of the Government in the Sunshine Act, 5 U.S.C. 552b(c)(6) and (10), will not be available for public inspection.

A copy of the General Counsel's Certification that, in his opinion, the closing is authorized by law will be available upon request.

MATTERS TO BE CONSIDERED:

October 20, 2019

Institutional Advancement Committee

Open Session

1. Approval of agenda
2. Approval of minutes of the Institutional Advancement Committee's Open Session meeting of July 28, 2019
3. Update on Leaders Council and Emerging Leaders Council
 - John G. Levi, Chairman of the Board
4. Development report
 - Nadia Elguindy, Director of Institutional Advancement
5. Consider and act on *Resolution #2019-0XX*, Expenditure of Private Funds for an Updated Report on the Justice Gap in America
 - Nadia Elguindy, Director of Institutional Advancement

** Any portion of the closed session consisting solely of briefings does not fall within the Sunshine Act's definition of the term "meeting" and, therefore, the requirements of the Sunshine Act do not apply to such portion of the closed session. 5 U.S.C. 552b(a)(2) and (b). See also 45 CFR 1622.2 & 1622.3.

6. Public comment
7. Consider and act on other business
8. Consider and act on motion to adjourn the open session meeting and proceed to a closed session

Closed Session

1. Approval of minutes of the Institutional Advancement Committee's Closed Session meeting of July 28, 2019
2. Development activities report
 - Nadia Elguindy, Director of Institutional Advancement
3. Update on end of year fundraising
 - John G. Levi, Chairman of the Board
4. Consider and act on motion to approve Leaders Council and Emerging Leaders Council invitees
5. Consider and act on other business
6. Consider and act on motion to adjourn the meeting

Communications Subcommittee of the Institutional Advancement Committee

Open Session

1. Approval of agenda
2. Approval of minutes of the subcommittee's Open Session meeting on July 28, 2019
3. Communications and social media update
 - Carl Rauscher, Director of Communications and Media Relations
4. Public Comment
5. Consider and act on other business
6. Consider and act on motion to adjourn the meeting

Operations and Regulations Committee

Open Session

1. Approval of agenda
2. Approval of minutes of the Committee's Open Session meeting on July 28, 2019
3. Briefing on the status of the Notice of Proposed Rulemaking for 45 CFR parts 1610 and 1630—Use of Non-LSC Funds, Program Integrity, and Cost Standards; and anticipated rulemaking for 45 CFR part 1635—Timekeeping
 - Ron Flagg, General Counsel and Vice President for Legal Affairs
 - Mark Freedman, Senior Associate General Counsel
 - Stefanie Davis, Assistant General Counsel
4. Public comment
5. Consider and act on other business
6. Consider and act on motion to adjourn the meeting

Audit Committee

Open Session

1. Approval of agenda

2. Approval of minutes of the Committee's Open Session meeting of July 29, 2019
3. Briefing by Office of Inspector General
 - Jeffrey Schanz, Inspector General
 - Roxanne Caruso, Assistant Inspector General for Audit
4. Pursuant to Sections VIII(A)(3) and VIII(A)(4) of the Committee Charter, review and discuss with the OIG its audit responsibilities and performance, its audit plan for the Corporation and the risk assessment that drives its audit plan, the effectiveness of its audit plan and activities, and all significant matters relative to audits performed by the OIG, including any problems the OIG encountered while performing audits
 - Jeffrey Schanz, Inspector General
 - Roxanne Caruso, Assistant Inspector General for Audit
5. Pursuant to Section VIII(A)(1) of the Committee Charter, review and discuss with the Office of Inspector General and Management the contemplated scope and plan for LSC's required annual audit
 - Roxanne Caruso, Assistant Inspector General for Audit
 - Debbie Moore, Treasurer and Chief Financial Officer
6. Pursuant to Section VIII(C)(6) of the Committee Charter, review LSC's efforts, including training and education, to help ensure that LSC employees and grantees act ethically and safeguard LSC funds
 - Ron Flagg, Vice President for Legal Affairs
 - Debbie Moore, Treasurer and Chief Financial Officer
 - Lynn Jennings, Vice President for Grant Management
 - Jeffrey Schanz, Inspector General
7. Management update regarding risk management
 - Ron Flagg, Vice President for Legal Affairs
8. Briefing about follow-up by the Office of Compliance and Enforcement on referrals by the Office of Inspector General regarding audit reports and annual independent public audits of grantees
 - Lora Rath, Director, Compliance and Enforcement
 - Roxanne Caruso, Assistant Inspector General for Audits
9. Public comment
10. Consider and act on other business
11. Consider and act on motion to adjourn the open session meeting and proceed to a closed session

Closed Session

1. Approval of minutes of the Committee's Closed Session meeting on July 29, 2018
2. Briefing by Office Compliance and Enforcement on active enforcement matter(s) and follow-up on open investigation referrals from the Office of Inspector General
 - Lora Rath, Director, Compliance and Enforcement
3. Briefing on status of 2018 recommendations of the corporation's auditors
 - Debbie Moore, Treasurer and Chief Financial Officer
4. Consider and act on adjournment of meeting

October 21, 2019**Finance Committee***Open Session*

1. Approval of agenda
2. Approval of minutes of the Committee's Open Session meeting of July 30, 2019
3. Presentation of LSC's Preliminary Financial Report for the year ending September 30, 2019
 - Debbie Moore, Treasurer and Chief Financial Officer
4. Report on the status of FY 2020 appropriation process
 - Carol Bergman, Vice President for Government Relations & Public Affairs
5. Report on the FY 2021 appropriations process
 - Carol Bergman, Vice President, Government Relations & Public Affairs
6. Consider and act on Resolution 2019-00X, Resolution on Amendments to and Restatement of the LSC 403(b) Plan
 - Traci Higgins, Director of Human Resources
 - Ron Flagg, General Counsel and Vice President for Legal Affairs
 - Mark Freedman, Senior Associate General Counsel
7. Consider and act on the collective bargaining agreement (CBA)
8. Public comment
9. Consider and act on other business
10. Consider and act on motion to adjourn the open session meeting and proceed to a closed session

Closed Session (If Necessary)

1. Approval of minutes of the Joint Finance Committee and Board Closed Session telephonic meeting of September 10, 2019
2. Discussion of the collective bargaining agreement (CBA)
3. Consider and act on other business
4. Consider and act on motion to adjourn

Governance and Performance Review Committee*Open Session*

1. Approval of agenda
2. Approval of minutes of the Committee's Open Session meeting of July 28, 2019
3. Report on 2019 Board and Committee Evaluations
 - Carol Bergman, Vice President for Government Relations & Public Affairs
4. Report on Transition Planning and Orientation
 - Carol Bergman, Vice President for Government Relations & Public Affairs
 - Ron Flagg, Vice President for Legal Affairs, General Counsel, and Corporate Secretary
5. Consider and act on proposed contract renewal for LSC President
6. Discuss compensation for officers
 - Jim Sandman, President
7. Consider and act on other business
8. Public comment
9. Consider and act on motion to adjourn the meeting

Delivery of Legal Services Committee*Open Session*

1. Approval of agenda
2. Approval of minutes of the Committee's Open Session meeting of July 29, 2019
3. Update on revisions to LSC Performance Criteria
 - Lynn Jennings, Vice President for Grants Management
4. Panel presentation on grantee board best practices in grantee board governance
 - Gregory Landry, Executive Director, Acadiana Legal Services Corporation
 - Susan Jones, Board Chair, Acadiana Legal Services Corporation
 - Rodolfo Sanchez, Executive Director, DNA-Peoples Legal Services
 - Judith M. Dworkin, Board Chair, DNA-Peoples Legal Services
 - Ashley E. Lowe, Chief Executive Officer, Lakeshore Legal Aid
 - Thomas W. Linn, Board Chair, Lakeshore Legal Aid
 - Moderator: Lynn Jennings, Vice President of Grants Management, Legal Services Corporation
5. Public comment
6. Consider and act on other business
7. Consider and act on motion to adjourn the meeting

October 22, 2019**Board of Directors***Open Session*

1. Pledge of Allegiance
2. Approval of agenda
3. Approval of minutes of the Board's Open Session meeting of July 30, 2019
4. Consider and act on nominations for the Vice Chair of the Board of Directors
5. Chairman's Report
6. Members' Reports
7. President's Report
8. Inspector General's Report
9. Consider and act on the report of the Operations and Regulations Committee
10. Consider and act on the report of the Governance and Performance Review Committee
11. Consider and act on the report of the Institutional Advancement Committee
12. Consider and act on the report of the Audit Committee
13. Consider and act on the report of the Delivery of Legal Services Committee
14. Consider and act on the report of the Finance Committee
15. Opioid Task Force implementation update
16. Consider and act on resolution, In Recognition and Profound Appreciation of Harry J.F. Korrell III's Distinguished Service
17. Consider and act on resolution, In Recognition and Profound Appreciation of Martha Minow's Distinguished Service
18. Consider and act on resolution, In Recognition and Appreciation of Distinguished Service by Members of the LSC Disaster Task Force
19. Consider and act on resolution, In Recognition and Appreciation of Distinguished Service by Latham & Watkins LLP
20. Public comment
21. Consider and act on other business
22. Consider and act on whether to authorize a closed session of the Board to address items listed below

Closed Session

1. Approval of minutes of the Board's Closed Session meeting of July 30, 2019
2. Approval of minutes of the Finance Committee and Board's Closed Session telephonic meeting of September 10, 2019
3. Management briefing
4. Inspector General briefing
5. Consider and act on list of prospective Leaders Council and Emerging Leaders Council members

6. Consider and act on General Counsel's report on potential and pending litigation involving LSC
7. Consider and act on other business
8. Consider and act on motion to adjourn the meeting

CONTACT PERSON FOR INFORMATION: Karly Satkowiak, Special Counsel, at (202) 295-1500. Questions may be sent by electronic mail to FR_NOTICE_QUESTION@lsc.gov.

Dated: October 10, 2019. Stefanie Davis, Assistant General Counsel.

NON-CONFIDENTIAL MEETING MATERIALS: Non-confidential meeting materials will be made available in electronic format at least 24 hours in advance of the meeting on the LSC website, at <http://www.lsc.gov/board-directors/meetings/board-meeting-notice/non-confidential-materials-be-considered-open-session>.

ACCESSIBILITY: LSC complies with the American's with Disabilities Act and Section 504 of the 1973 Rehabilitation Act. Upon request, meeting notices and materials will be made available in alternative formats to accommodate individuals with disabilities. Individuals who need other accommodations due to disability in order to attend the meeting in person or telephonically should contact Katherine Ward, at (202) 295-1500 or FR_NOTICE_QUESTION@lsc.gov, at least 2 business days in advance of the meeting. If a request is made without advance notice, LSC will make every effort to accommodate the request but cannot guarantee that all requests can be fulfilled.

Dated: October 10, 2019.

Katherine Ward,

Executive Assistant to the Vice President for Legal Affairs, General Counsel & Corporate Secretary.

[FR Doc. 2019-22613 Filed 10-11-19; 11:15 am]

BILLING CODE 7050-01-P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice (19-067)]

Performance Review Board, Senior Executive Service (SES)

AGENCY: National Aeronautics and Space Administration (NASA).

ACTION: Notice of Membership of SES Performance Review Board.

SUMMARY: The Civil Service Reform Act of 1978, requires that appointments of individual members to the Performance Review Board (PRB) be published in the **Federal Register**.

The performance review function for the SES in NASA is being performed by the NASA PRB.

SUPPLEMENTARY INFORMATION: The following individuals are serving on the Board:

Performance Review Board

Chairperson, Associate Administrator, NASA Headquarters
 Chair, Executive Resources Board, NASA Headquarters
 Deputy Associate Administrator, NASA Headquarters
 Associate Administrator for Mission Support Directorate, NASA Headquarters
 Associate Administrator for Diversity and Equal Opportunity, NASA Headquarters
 Associate Administrator for Aeronautics Research Mission Directorate, NASA Headquarters
 Center Director, NASA Ames Research Center

Cheryl Parker,

Federal Register Liaison Officer.

[FR Doc. 2019-22508 Filed 10-15-19; 8:45 am]

BILLING CODE 7510-13-P

NATIONAL CREDIT UNION ADMINISTRATION

Agency Information Collection Activities: Proposed Collection; Comment Request; Written Reimbursement Policy

AGENCY: National Credit Union Administration (NCUA).

ACTION: Notice and request for comment.

SUMMARY: The National Credit Union Administration (NCUA), as part of a continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to comment on the following extension of a currently approved collection, as required by the Paperwork Reduction Act of 1995.

DATES: Written comments should be received on or before December 16, 2019 to be assured consideration.

ADDRESSES: Interested persons are invited to submit written comments on the information collection to Dawn Wolfgang, National Credit Union Administration, 1775 Duke Street, Suite 6018, Alexandria, Virginia 22314; Fax No. 703-519-8579; or Email at PRAComments@NCUA.gov.

FOR FURTHER INFORMATION CONTACT: Address requests for additional information to Dawn Wolfgang at the address above or telephone 703-548-2279.

SUPPLEMENTARY INFORMATION:
OMB Number: 3133-0130.

Title: Written Reimbursement Policy, 12 CFR 701.33.

Type of Review: Extension of a currently approved collection.

Abstract: Federal Credit Unions (FCUs) may reimburse its board members for reasonable and proper costs incurred in conducting their official responsibilities only if the reimbursement is in accordance with the written reimbursement policies and procedures established by the FCU's board of directors. Access to this plan, and documentation related to its implementation is necessary for NCUA examiners to verify compliance with this requirement.

Affected Public: Private Sector: Not-for-profit institutions.

Estimated No. of Respondents: 3,335.

Estimated No. of Responses per Respondent: 1.

Estimated Total Annual Responses: 3,335.

Estimated Burden Hours per Response: 0.50.

Estimated Total Annual Burden Hours: 1,668.

Request for Comments: Comments submitted in response to this notice will be summarized and included in the request for Office of Management and Budget approval. All comments will become a matter of public record. The public is invited to submit comments concerning: (a) Whether the collection of information is necessary for the proper execution of the function of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the 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 the information on the respondents, including the use of automated collection techniques or other forms of information technology.

By Gerard Poliquin, Secretary of the Board, the National Credit Union Administration, on October 10, 2019.

Dated: October 10, 2019.

Dawn D. Wolfgang,

NCUA PRA Clearance Officer.

[FR Doc. 2019-22493 Filed 10-15-19; 8:45 am]

BILLING CODE 7535-01-P

NATIONAL SCIENCE FOUNDATION**Advisory Committee for Environmental Research and Education; Notice of Meeting**

In accordance with the Federal Advisory Committee Act (Pub. L. 92–463, as amended), the National Science Foundation (NSF) announces the following meeting:

Name and Committee Code: Advisory Committee for Environmental Research and Education (9487).

Date and Time: November 4–5, 2019; 8:00 a.m.–5:00 p.m.

Place: National Science Foundation, 2415 Eisenhower Avenue, Conference Room 3430, Alexandria, VA 22314.

Type of Meeting: Open.

Contact Person: Dr. Leah Nichols, Staff Associate, Office of Integrative Activities/Office of the Director/National Science Foundation, 2415 Eisenhower Avenue, Alexandria, VA 22314; (Email: lenicho@nsf.gov/Telephone: (703) 292–2983).

Minutes: May be obtained from the AC's website at: <https://www.nsf.gov/ere/ereweb/minutes.jsp>.

Purpose of Meeting: To provide advice, recommendations, and oversight concerning support for environmental research and education.

Agenda: To discuss subcommittee work and prepare for future advisory committee activities. Updated agenda and teleconference link will be available at <https://www.nsf.gov/ere/ereweb/minutes.jsp>.

Dated: October 10, 2019.

Crystal Robinson,
Committee Management Officer.

[FR Doc. 2019–22505 Filed 10–15–19; 8:45 am]

BILLING CODE 7555–01–P

NATIONAL TRANSPORTATION SAFETY BOARD**Sunshine Act Meeting**

TIME AND DATE: 9:30 a.m., Tuesday, November 5, 2019.

PLACE: NTSB Conference Center, 429 L'Enfant Plaza SW, Washington, DC 20594.

STATUS: The one item is open to the public.

MATTERS TO BE CONSIDERED:

59670 Safety Research Report—*Bicyclist Safety on US Roadways: Crash Risks and Countermeasures.*

CONTACT PERSON FOR MORE INFORMATION:

Candi Bing at (202) 314–6403 or by email at bingc@ntsb.gov.

Media Information Contact: Peter Knudson by email at peter.knudson@ntsb.gov or at (202) 314–6100.

The press and public may enter the NTSB Conference Center one hour prior to the meeting for set up and seating.

Individuals requesting specific accommodations should contact Rochelle McCallister at (202) 314–6305 or by email at Rochelle.McCallister@ntsb.gov by Wednesday, October 30, 2019.

The public may view the meeting via a live or archived webcast by accessing a link under “News & Events” on the NTSB home page at www.ntsbt.gov.

Schedule updates, including weather-related cancellations, are also available at www.ntsbt.gov.

The National Transportation Safety Board is holding this meeting under the Government in the Sunshine Act, 5 U.S.C. 552(b).

Dated: Friday October 11, 2019.

LaSean R McCray,

Alternate Federal Register Liaison Officer.

[FR Doc. 2019–22706 Filed 10–11–19; 4:15 pm]

BILLING CODE 7533–01–P

NUCLEAR REGULATORY COMMISSION

[Docket No. 40–8943–MLA; ASLBP No. 07–859–03–MLA–BD01]

Notice of Atomic Safety and Licensing Board Reconstitution: Crow Butte Resources, Inc. (North Trend Expansion Project)

Pursuant to 10 CFR 2.313(c) and 2.321(b), the Atomic Safety and Licensing Board in the above-captioned *Crow Butte Resources, Inc.* license amendment proceeding is hereby reconstituted by appointing Administrative Judge Craig M. White to serve as a Licensing Board member.¹

All correspondence, documents, and other materials shall continue to be filed in accordance with the NRC E-Filing rule. *See* 10 CFR 2.302 *et seq.*

Dated: October 10, 2019.

Edward R. Hawkens,

Chief Administrative Judge, Atomic Safety and Licensing Board Panel, Rockville, Maryland.

[FR Doc. 2019–22546 Filed 10–15–19; 8:45 am]

BILLING CODE 7590–01–P

¹ Judge White's appointment in this proceeding is necessitated by the recent retirement of Administrative Judge Richard E. Wardwell, who previously served on this Licensing Board.

NUCLEAR REGULATORY COMMISSION

[Docket No. 40–8943; ASLBP No. 08–867–02–OLA–BD01]

CROW BUTTE RESOURCES, INC. (License Renewal for the In Situ Leach Facility, Crawford, Nebraska); Notice of Atomic Safety and Licensing Board Reconstitution

Pursuant to 10 CFR 2.313(c) and 2.321(b), the Atomic Safety and Licensing Board in the above-captioned *Crow Butte Resources, Inc.* license renewal proceeding is hereby reconstituted by appointing Administrative Judge Gary S. Arnold to serve as a Licensing Board member.¹

All correspondence, documents, and other materials shall continue to be filed in accordance with the NRC E-Filing rule. *See* 10 CFR 2.302 *et seq.*

Rockville, Maryland.

Dated: October 10, 2019.

Edward R. Hawkens,

Chief Administrative Judge, Atomic Safety and Licensing Board Panel.

[FR Doc. 2019–22548 Filed 10–15–19; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[Docket No. 40–3392; NRC–2017–0143]

Honeywell, International, Inc.; Metropolis Works Uranium Conversion Facility

AGENCY: Nuclear Regulatory Commission.

ACTION: Environmental assessment and finding of no significant impact; issuance.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is issuing an environmental assessment (EA) and finding of no significant impact (FONSI) for the proposed renewal of NRC source materials license SUB–526 for Honeywell, International, Inc.'s Metropolis Works uranium conversion facility. The final EA, “Final Environmental Assessment for the Proposed Renewal of Source Materials License SUB–526, Metropolis Works Uranium Conversion Facility (Massac County, Illinois),” documents the NRC staff's environmental review of the license renewal application.

DATES: The final EA is available on October 16, 2019.

¹ Judge Arnold's appointment in this proceeding is necessitated by the recent retirement of Administrative Judge Richard E. Wardwell, who previously served on this Licensing Board.

ADDRESSES: Please refer to Docket ID NRC-2017-0143 when contacting the NRC about the availability of information regarding this document. You may obtain publicly-available information related to this document using any of the following methods:

- *Federal Rulemaking Website:* Go to <https://www.regulations.gov> and search for Docket ID NRC-2017-0143. Address questions about NRC docket IDs in *Regulations.gov* to Anne Frost; telephone: 301-287-9232; email: Anne.Frost@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 ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, 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 final EA is available in ADAMS under Accession No. ML19273A012.

- *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: Christine Pineda, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-6789; email: Christine.Pineda@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Introduction

The NRC is considering a request for the renewal of Honeywell International, Inc.'s (Honeywell's) source materials license SUB-526, which authorizes Honeywell to operate a uranium hexafluoride processing (or uranium conversion) plant at the Metropolis Works Facility, located near Metropolis, in Massac County, Illinois. The facility was constructed in 1958, and uranium hexafluoride was first produced for several years beginning in 1959 for the U.S. Government. In 1968, the facility began producing uranium hexafluoride for commercial purposes.

In accordance with the NRC's regulations in part 51 of title 10 of the *Code of Federal Regulations* (10 CFR), "Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions," that implement

the National Environmental Policy Act of 1969, as amended (NEPA) (42 U.S.C. 4321 *et seq.*), the NRC staff has prepared a final EA documenting its environmental review of the license renewal application (ADAMS Accession Nos. ML17048A243, ML17048A244, and ML18029A119). The NRC published a notice of availability of the draft EA in the **Federal Register** on October 31, 2018 (83 FR 54787). The public comment period for the draft EA closed on November 30, 2018. Summaries of and responses to public comments on the draft EA are provided in Appendix B of the final EA.

II. Summary of Environmental Assessment

The final EA is publicly-available in ADAMS under Accession No. ML19273A012, or at this link: <https://www.nrc.gov/docs/ML1927/ML19273A012.pdf>. A summary description of the proposed action and expected environmental impacts is provided below.

Description of the Proposed Action

The proposed Federal action is approval of Honeywell's license renewal request, which if granted would allow Honeywell to continue conversion of uranium ore concentrates, also known as yellowcake, to uranium hexafluoride. The proposed action analyzed in the final EA accounts for a renewed license term of 40 years, which is the term Honeywell has requested. The proposed action and proposed license conditions would allow Honeywell to continue to receive, possess, store, use, and ship source material. Honeywell would continue the conversion of uranium ore concentrates to uranium hexafluoride at an authorized capacity of 15,000 metric tons (16,535 tons). Honeywell would continue to ship the uranium hexafluoride product to enrichment facilities for processing into enriched uranium.

Environmental Impacts of the Proposed Action

In the final EA, the NRC staff assessed the potential environmental impacts from the proposed license renewal associated with the following resource areas: Land use; geology and soils; water resources; ecological resources; cultural resources; air quality; socioeconomic; environmental justice; scenic and visual resources; public and occupational health; transportation; and waste management. The NRC staff also considered the cumulative impacts from past, present, and reasonably foreseeable future actions when combined with the proposed action.

The NRC staff determined that continued Honeywell operations would not result in significant environmental impacts, as described in the EA. The staff concluded that approval of the proposed action would not result in a significant increase in short-term or long-term radiological risk to public health or the environment. Furthermore, the NRC staff found that the incremental impacts from the proposed action, when added to the impacts of other past, present, and reasonably foreseeable future actions, would not contribute significantly to cumulative environmental impacts.

Environmental Impacts of the Alternatives to the Proposed Action

As one alternative to the proposed action, the NRC staff considered denial of Honeywell's license renewal request (*i.e.*, the "no-action" alternative). Under the no-action alternative, Honeywell would need to stop operations permanently and submit a decommissioning plan for NRC review and approval. This would entail an environmental review to assess the potential impacts associated with the proposed decommissioning action. The NRC determined for this EA that the potential environmental impacts of the no-action alternative (prior to decommissioning) would not be significant.

As another alternative, the NRC considered approval of Honeywell's renewal request, but for a duration of less than 40 years (the "reduced duration alternative"). Honeywell would continue operating for a period of less than 40 years, resulting in potential impacts that would be similar to or less than the impacts of the proposed action.

III. Final Finding of No Significant Impact

In accordance with NEPA and 10 CFR part 51, the NRC staff has conducted an environmental review of Honeywell's request to renew NRC source materials license SUB-526 to allow Honeywell to continue its uranium conversion operations. Based on its environmental review of the proposed action, as documented in the final EA, the NRC staff determined that granting the requested license renewal would not significantly affect the quality of the human environment. Therefore, the NRC staff makes its final determination, pursuant to 10 CFR 51.31, that the preparation of an environmental impact statement is not required for the proposed action and a FONSI is appropriate.

Dated at Rockville, Maryland, this 10th day of October 2019.

For the Nuclear Regulatory Commission.

Kathryn M. Brock,

Acting Director, Division of Fuel Cycle Safety, Safeguards, and Environmental Review, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 2019-22550 Filed 10-15-19; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

668th Meeting of the Advisory Committee on Reactor Safeguards (ACRS)

In accordance with the purposes of Sections 29 and 182b of the Atomic Energy Act (42 U.S.C. 2039, 2232b), the Advisory Committee on Reactor Safeguards (ACRS) will hold meetings on November 6–9, 2019, Two White Flint North, 11545 Rockville Pike, ACRS Conference Room T2D10, Rockville, MD 20852.

Wednesday, November 6, 2019, Conference Room T2D10

1:00 p.m.–1:05 p.m.: Opening Remarks by the ACRS Chairman (Open)—The ACRS Chairman will make opening remarks regarding the conduct of the meeting.

1:05 p.m.–2:30 p.m.: White Paper Addressing Adequacy of RG. 1.99, “Radiation Embrittlement of Reactor Vessel Materials,” Revision 2, and Working Group efforts (Open)—The Committee will have briefings by and discussion with representatives of the NRC staff regarding the subject topic.

2:30 p.m.–4:00 p.m.: Brunswick Atrium 11 Fuel Transition and Application/Framatome (Open/Closed)—The Committee will have briefings by and discussion with representatives of the NRC staff and Framatome regarding the subject topic. [Note: A portion of this session may be closed in order to discuss and protect information designated as proprietary, pursuant to 5 U.S.C 552b(c)(4)].

4:15 p.m.–6:00 p.m.: Preparation for December Meeting with Commission/Preparation of Reports (Open)—The Committee will have briefings by and discussion with representatives of the NRC staff regarding the subject topic.

Thursday, November 7, 2019, Conference Room T2D10

8:30 a.m.–12:00 p.m.: NuScale Design Certification Application Safety Evaluation (Open/Closed)—The Committee will have briefings by and discussion with representatives of the NRC staff regarding the need for further briefings by the staff to support the Committee’s Review—Chapters 5, 13,

and 18. Specific chapters are subject to change. Please call 301-415-2241 for the latest information. [Note: A portion of this session may be closed in order to discuss and protect information designated as proprietary, pursuant to 5 U.S.C 552b(c)(4)]

1:00 p.m.–2:30 p.m.: USAPWR Chapters 8, 18, and Advanced Accumulator Topical Report (Open/Closed)—The Committee will have briefings by and discussion with representatives of the NRC staff and Mitsubishi regarding the subject topic. [Note: A portion of this session may be closed in order to discuss and protect information designated as proprietary, pursuant to 5 U.S.C 552b(c)(4)]

2:30 p.m.–3:30 p.m.: NUREG/KM-0013, “Credibility Assessment Framework for Critical Boiling Transition Models” (Open)—The Committee will have briefings by and discussion with representatives of the NRC staff regarding the subject topic.

3:45 p.m.–6:00 p.m.: Preparation of ACRS Reports/NuScale Chapters Discussion (Open/Closed)—The Committee will continue its discussion of proposed ACRS reports and NuScale chapters. [Note: A portion of this session may be closed in order to discuss and protect information designated as proprietary, pursuant to 5 U.S.C 552b(c)(4)]. [Note: A portion of this session may be closed pursuant to 5 U.S.C. 552b(c)(2) and (6) to discuss organizational and personnel matters that relate solely to internal personnel rules and practices of the ACRS, and information the release of which would constitute a clearly unwarranted invasion of personal privacy.]

Friday, November 8, 2019, Conference Room T2D10

8:30 a.m.–10:00 a.m.: Future ACRS Activities/Report of the Planning and Procedures Subcommittee and Reconciliation of ACRS Comments and Recommendations (Open/Closed)—The Committee will hear discussion of the recommendations of the Planning and Procedures Subcommittee regarding items proposed for consideration by the Full Committee during future ACRS meetings. [Note: A portion of this meeting may be closed pursuant to 5 U.S.C. 552b(c)(2) and (6) to discuss organizational and personnel matters that relate solely to internal personnel rules and practices of the ACRS, and information the release of which would constitute a clearly unwarranted invasion of personal privacy.] [Note: A portion of this session may be closed in order to discuss and protect information designated as proprietary, pursuant to 5 U.S.C 552b(c)(4)].

10:15 a.m.–12:00 p.m.: Preparation of ACRS Reports/NuScale Chapters Discussion (Open/Closed)—The Committee will continue its discussion of proposed ACRS reports and NuScale chapters. [Note: A portion of this session may be closed in order to discuss and protect information designated as proprietary, pursuant to 5 U.S.C 552b(c)(4)]. [Note: A portion of this meeting may be closed pursuant to 5 U.S.C. 552b (c) (2) and (6) to discuss organizational and personnel matters that relate solely to internal personnel rules and practices of the ACRS, and information the release of which would constitute a clearly unwarranted invasion of personal privacy.]

1:00 p.m.–6:00 p.m.: Preparation of ACRS Reports/NuScale Chapters Discussion (Open/Closed)—The Committee will continue its discussion of proposed ACRS reports and NuScale chapters. [Note: A portion of this session may be closed in order to discuss and protect information designated as proprietary, pursuant to 5 U.S.C 552b(c)(4)]. [Note: A portion of this meeting may be closed pursuant to 5 U.S.C. 552b (c) (2) and (6) to discuss organizational and personnel matters that relate solely to internal personnel rules and practices of the ACRS, and information the release of which would constitute a clearly unwarranted invasion of personal privacy.]

Saturday, November 9, 2019, Conference Room T2D10

8:30 a.m.–12:00 p.m.: Preparation of ACRS Reports/NuScale Chapters Discussion (Open/Closed)—The Committee will continue its discussion of proposed ACRS reports and NuScale chapters. [Note: A portion of this session may be closed in order to discuss and protect information designated as proprietary, pursuant to 5 U.S.C 552b(c)(4)]. [Note: A portion of this meeting may be closed pursuant to 5 U.S.C. 552b (c) (2) and (6) to discuss organizational and personnel matters that relate solely to internal personnel rules and practices of the ACRS, and information the release of which would constitute a clearly unwarranted invasion of personal privacy.]

Procedures for the conduct of and participation in ACRS meetings were published in the **Federal Register** on June 13, 2019 (84 FR 27662). In accordance with those procedures, oral or written views may be presented by members of the public, including representatives of the nuclear industry. Persons desiring to make oral statements should notify Quynh Nguyen, Cognizant ACRS Staff (Telephone: 301-415-5844, Email: Quynh.Nguyen@nrc.gov), 5 days

before the meeting, if possible, so that appropriate arrangements can be made to allow necessary time during the meeting for such statements. In view of the possibility that the schedule for ACRS meetings may be adjusted by the Chairman as necessary to facilitate the conduct of the meeting, persons planning to attend should check with the Cognizant ACRS staff if such rescheduling would result in major inconvenience. The bridgeline number for the meeting is 866-822-3032, passcode 8272423#.

Thirty-five hard copies of each presentation or handout should be provided 30 minutes before the meeting. In addition, one electronic copy of each presentation should be emailed to the Cognizant ACRS Staff one day before meeting. If an electronic copy cannot be provided within this timeframe, presenters should provide the Cognizant ACRS Staff with a CD containing each presentation at least 30 minutes before the meeting.

In accordance with Subsection 10(d) of Public Law 92-463 and 5 U.S.C. 552b(c), certain portions of this meeting may be closed, as specifically noted above. Use of still, motion picture, and television cameras during the meeting may be limited to selected portions of the meeting as determined by the Chairman. Electronic recordings will be permitted only during the open portions of the meeting.

ACRS meeting agendas, meeting transcripts, and letter reports are available through the NRC Public Document Room (PDR) at pdr.resource@nrc.gov, or by calling the PDR at 1-800-397-4209, or from the Publicly Available Records System component of NRC's Agencywide Documents Access and Management System (ADAMS) which is accessible from the NRC website at <http://www.nrc.gov/reading-rm/adams.html> or <http://www.nrc.gov/reading-rm/doc-collections/#ACRS/>.

Video teleconferencing service is available for observing open sessions of ACRS meetings. Those wishing to use this service should contact Ms. Paula Dorm, ACRS Audio Visual Technician at (301-415-7799), between 7:30 a.m. and 3:45 p.m. (ET), at least 10 days before the meeting to ensure the availability of this service. Individuals or organizations requesting this service will be responsible for telephone line charges and for providing the equipment and facilities that they use to establish the video teleconferencing link. The availability of video teleconferencing services is not guaranteed.

Dated: October 10, 2019.

Russell E. Chazell,

Federal Advisory Committee Management Officer, Office of the Secretary.

[FR Doc. 2019-22492 Filed 10-15-19; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

[Docket No. 50-289; NRC-2019-0198]

Exelon Generation Company LLC; Three Mile Island Nuclear Station Unit 1

AGENCY: Nuclear Regulatory Commission.

ACTION: Environmental assessment and finding of no significant impact; issuance.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of exemptions in response to an April 12, 2019, request from Exelon Generation Company, LLC (Exelon or the licensee), for Three Mile Island Nuclear Station, Unit 1 (TMI-1), located in Londonderry Township of Dauphin County, PA. One exemption would permit the licensee to use funds from the TMI-1 decommissioning trust fund (DTF or the Trust) for spent fuel management activities. Another exemption would allow the licensee to use withdrawals from the Trust for these activities without prior NRC notification. The NRC staff is issuing a final environmental assessment (EA) and final finding of no significant (FONSI) impact associated with the proposed exemptions.

DATES: The EA and FONSI referenced in this document are available on October 16, 2019.

ADDRESSES: Please refer to Docket ID NRC-2019-0198 when contacting the NRC about the availability of information regarding this document. You may obtain publicly-available information related to this document using any of the following methods:

- *Federal Rulemaking Website:* Go to <https://www.regulations.gov/> and search for Docket ID NRC-2019-0198. Address questions about NRC docket IDs in [Regulations.gov](https://www.regulations.gov/) to Anne Frost; telephone: 301-287-9232; email: Anne.Frost@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 ADAMS Public Documents collection at

<https://www.nrc.gov/reading-rm/adams.html>. To begin the search, 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. For the convenience of the reader, instructions about obtaining materials referenced in this document are provided in the AVAILABILITY OF DOCUMENTS 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.

FOR FURTHER INFORMATION CONTACT:

Justin C. Poole, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-2048; email: Justin.Poole@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Introduction

Pursuant to section 50.12 of title 10 of the *Code of Federal Regulations* (10 CFR), "Specific exemptions," the NRC is considering issuance of exemptions from 10 CFR 50.82(a)(8)(i)(A) and 10 CFR 50.75(h)(1)(iv) for Renewed Facility Operating License No. DPR-50, issued to Exelon for TMI-1, located in Dauphin County, Pennsylvania. The proposed action is in response to the licensee's application for exemption dated April 12, 2019. The exemptions would allow the licensee to use funds from the Trust for spent fuel management activities without prior notice to the NRC, in the same manner that funds from the Trust are used under 10 CFR 50.82(a)(8) for decommissioning activities.

In accordance with 10 CFR 51.21, the NRC has prepared an EA that analyzes the environmental effects of the proposed action. Based on the results of this EA, and in accordance with 10 CFR 51.31(a), the NRC has determined not to prepare an environmental impact statement (EIS) for the proposed licensing action, and is issuing a FONSI.

II. Environmental Assessment

Description of the Proposed Action

The proposed action would partially exempt Exelon from the requirements set forth in 10 CFR 50.82(a)(8)(i)(A) and 10 CFR 50.75(h)(1)(iv). Specifically, the proposed action would allow Exelon to use funds from the Trust for spent fuel management activities not associated with radiological decontamination and would exempt Exelon from meeting the requirement for prior notification to the NRC for these activities.

Need for the Proposed Action

By letter dated June 20, 2017, Exelon informed the NRC that it plans to permanently ceased power operations at TMI-1 on or about September 30, 2019.

As required by 10 CFR 50.82(a)(8)(i)(A), decommissioning trust funds may be used by the licensee if the withdrawals are for legitimate decommissioning activity expenses, consistent with the definition of decommissioning in 10 CFR 50.2. This definition addresses radiological decontamination and does not include activities associated with spent fuel management. Similarly, the requirements of 10 CFR 50.75(h)(1)(iv) restrict the use of decommissioning trust fund disbursements (other than for ordinary and incidental expenses) to decommissioning expenses until final decommissioning has been completed. Therefore, partial exemptions from 10 CFR 50.82(a)(8)(i)(A) and 10 CFR 50.75(h)(1)(iv) are needed to allow Exelon to use funds from the Trust for spent fuel management activities.

Exelon stated that Table 2 of the request for exemption dated April 12, 2019, demonstrates that the amount of money in the TMI-1 Trust as of December 31, 2018, exceeds the amount of funds required to complete radiological decommissioning of the site. The sufficiency of funds in the Trust to cover the costs of activities associated with spent fuel management and radiological decontamination through license termination is supported by the TMI-1 Post-Shutdown Decommissioning Activities Report submitted by Exelon in a letter dated April 5, 2019. The licensee stated that it needs access to the funds in the Trust in excess of those needed for radiological decontamination to support spent fuel management activities not associated with radiological decontamination.

The requirements of 10 CFR 50.75(h)(1)(iv) further provide that, except for decommissioning withdrawals being made under 10 CFR 50.82(a)(8) or for payments of ordinary administrative costs and other incidental expenses of the Trust, no disbursement may be made from the Trust until written notice of the intention to make a disbursement has been given to the NRC at least 30 working days in advance of the intended disbursement. Therefore, an exemption from 10 CFR 50.75(h)(1)(iv) is needed to allow Exelon to use funds from the Trust for spent fuel management activities without prior NRC notification.

In summary, by letter dated April 12, 2019, Exelon requested exemptions from NRC regulations to allow Trust withdrawals, without prior written notification to the NRC, for spent fuel management activities.

Environmental Impacts of the Proposed Action

The proposed action involves regulatory requirements that are of a financial or administrative nature and that do not have an impact on the environment. The NRC has completed its evaluation of the proposed actions and concludes that there is reasonable assurance that adequate funds are available in the Trust to complete all activities associated with radiological decommissioning. There would be no decrease in safety associated with the use of the Trust to fund to pay for activities associated with spent fuel management. The NRC regulations in 10 CFR 50.82(a)(8)(v) require licensees to submit a financial assurance status report annually between the time of submitting its site-specific decommissioning cost estimate and submitting its final radiation survey and demonstrating that residual radioactivity has been reduced to a level that permits termination of the operating license. Section 50.82(a)(8)(vi) of 10 CFR requires that if the remaining balance, plus expected rate of return, plus any other financial surety mechanism, does not cover the estimated costs to complete the decommissioning, additional financial assurance must be provided to cover the cost of completion. These annual reports provide a means for the NRC to monitor the adequacy of available funding. Since the exemptions would allow Exelon to use funds in excess of those required for radiological decontamination of the site and the adequacy of Trust funds dedicated for radiological decontamination are not affected by the proposed exemptions, there is reasonable assurance that there will be no environmental effect due to lack of adequate funding for decommissioning.

The proposed action will not significantly increase the probability or consequences of radiological accidents or change the types of effluents released offsite. In addition, there would be no significant increase in the amount of any radiological effluent released offsite and no significant increase in occupational or public radiation exposure. There would be no materials or chemicals introduced into the plant affecting the characteristics or types of effluents released offsite. In addition, waste processing systems would not be

affected by the proposed exemptions. Therefore, there would be no significant radiological environmental impacts associated with the proposed action.

Regarding potential nonradiological impacts, the proposed action would have no direct impacts on land use or water resources, including terrestrial and aquatic biota, as it involves no new construction or modification of plant operational systems. There would be no changes to the quality or quantity of nonradiological effluents and no changes to the plant's National Pollutant Discharge Elimination System permits would be needed. In addition, there would be no noticeable effect on socioeconomic and environmental justice conditions in the region, air quality impacts, and no potential to affect historic properties. Therefore, there would be no significant nonradiological environment impacts associated with the proposed action.

Accordingly, the NRC concludes that there would be no significant environmental impacts associated with the proposed action.

Environmental Impacts of the Alternatives to the Proposed Action

As an alternative to the proposed action, the NRC considered the denial of the proposed action (*i.e.*, the "no-action" alternative). Denial of the exemption request would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action would be similar.

Alternative Use of Resources

There are no unresolved conflicts concerning alternative uses of available resources under the proposed action.

Agencies or Persons Consulted

No additional agencies or persons were consulted regarding the environmental impact of the proposed action. On October 3, 2019, the NRC notified the Commonwealth of Pennsylvania representative of the EA and FONSI.

III. Finding of No Significant Impact

The licensee has requested exemptions from 10 CFR 50.82(a)(8)(i)(A) and 10 CFR 50.75(h)(1)(iv), which would allow Exelon to use funds from the Trust for spent fuel management activities, without prior written notification to the NRC.

The NRC is considering issuing the requested exemptions. The proposed action would not significantly affect plant safety, would not have a significant adverse effect on the

probability of an accident occurring, and would not have any significant radiological or nonradiological impacts. The reason the human environment would not be significantly affected is that the proposed action involves exemptions from requirements that are of a financial or administrative nature and that do not have an impact of the human environment.

Consistent with 10 CFR 51.21, the NRC conducted the EA for the proposed action, and this FONSI incorporates by reference the EA included in Section II of this notice. Therefore, the NRC concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the NRC has determined

there is no need to prepare an EIS for the proposed action.

As required by 10 CFR 51.32(a)(5), the related environmental document is the "Generic Environmental Impact Statement for License Renewal of Nuclear Plants: Regarding Three Mile Island Nuclear Station, Unit 1, Final Report," (NUREG-1437, Supplement 37), which provides the latest environmental review of current operations and description of environmental conditions at TMI-1.

The finding and other related environmental documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, 11555 Rockville Pike, Rockville, Maryland

20852. Publicly-available records are accessible electronically from ADAMS Public Electronic Reading Room on the internet at the NRC's website: <https://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS should contact the NRC's PDR Reference staff by telephone at 1-800-397-4209 or 301-415-4737, or by email to pdresource@nrc.gov.

IV. Availability of Documents

The documents identified in the following table are available to interested persons through one or more of the following methods, as indicated.

Date	Title	ADAMS Accession No.
4/12/2019	Letter from Exelon to NRC titled "Request for Exemption from 10 CFR 50.82(a)(8)(i)(A) and 10 CFR 50.75(h)(1)(iv).	ML19102A085
4/5/2019	Letter from Exelon to NRC titled "Three Mile Island Nuclear Station, Unit 1—Post Shutdown Decommissioning Activities Report".	ML19095A041
6/20/2017	Letter from Exelon to NRC titled "Certification of Permanent Cessation of Power Operations for Three Mile Island Nuclear Station, Unit 1".	ML17171A151
6/2009	NUREG-1437, Supplement 37, "Generic Environmental Impact Statement for License Renewal of Nuclear Plants: Regarding Three Mile Island Nuclear Station, Unit 1".	ML091751063
12/1972	NUREG-0552, "Final Environmental Statement Related to Operation of Three Mile Island Nuclear Station, Units 1 and 2".	ML19220C370

Dated at Rockville, Maryland, this 9th day of October 2019.

For the Nuclear Regulatory Commission.

Justin C. Poole,

*Project Manager, Plant Licensing Branch I,
Division of Operating Reactor Licensing,
Office of Nuclear Reactor Regulation.*

[FR Doc. 2019-22477 Filed 10-15-19; 8:45 am]

BILLING CODE 7590-01-P

POSTAL REGULATORY COMMISSION

[Docket Nos. CP2018-7; MC2020-5 and CP2020-6; MC2020-6 and CP2020-7]

New Postal Products

AGENCY: Postal Regulatory Commission.
ACTION: Notice.

SUMMARY: The Commission is noticing a recent Postal Service filing for the Commission's consideration concerning negotiated service agreements. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* October 17, 2019.

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. Docketed Proceeding(s)

I. Introduction

The Commission gives notice that the Postal Service filed request(s) for the Commission to consider matters related to negotiated service agreement(s). The request(s) may propose the addition or removal of a negotiated service agreement from the market dominant or the competitive product list, or the modification of an existing product currently appearing on the market dominant or the competitive product list.

Section II identifies the docket number(s) associated with each Postal Service request, the title of each Postal Service request, the request's acceptance date, and the authority cited by the Postal Service for each request. For each request, the Commission appoints an officer of the Commission to represent

the interests of the general public in the proceeding, pursuant to 39 U.S.C. 505 (Public Representative). Section II also establishes comment deadline(s) pertaining to each request.

The public portions of the Postal Service's request(s) can be accessed via the Commission's website (<http://www.prc.gov>). Non-public portions of the Postal Service's request(s), if any, can be accessed through compliance with the requirements of 39 CFR 3007.301.¹

The Commission invites comments on whether the Postal Service's request(s) in the captioned docket(s) are consistent with the policies of title 39. For request(s) that the Postal Service states concern market dominant product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3622, 39 U.S.C. 3642, 39 CFR part 3010, and 39 CFR part 3020, subpart B. For request(s) that the Postal Service states concern competitive product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3632, 39 U.S.C. 3633, 39 U.S.C. 3642, 39 CFR part 3015, and 39 CFR part 3020, subpart B. Comment

¹ See Docket No. RM2018-3, Order Adopting Final Rules Relating to Non-Public Information, June 27, 2018, Attachment A at 19-22 (Order No. 4679).

deadline(s) for each request appear in section II.

II. Docketed Proceeding(s)

1. *Docket No(s)*.: CP2018–7; *Filing Title*: USPS Notice of Amendment to Priority Mail Contract 368, Filed Under Seal; *Filing Acceptance Date*: October 9, 2019; *Filing Authority*: 39 CFR 3015.5; *Public Representative*: Kenneth R. Moeller; *Comments Due*: October 17, 2019.

2. *Docket No(s)*.: MC2020–5 and CP2020–6; *Filing Title*: USPS Request to Add Priority Mail Contract 553 to Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date*: October 9, 2019; *Filing Authority*: 39 U.S.C. 3642, 39 CFR 3020.30 *et seq.*, and 39 CFR 3015.5; *Public Representative*: Kenneth R. Moeller; *Comments Due*: October 17, 2019.

3. *Docket No(s)*.: MC2020–6 and CP2020–7; *Filing Title*: USPS Request to Add Priority Mail & First-Class Package Service Contract 122 to Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date*: October 9, 2019; *Filing Authority*: 39 U.S.C. 3642, 39 CFR 3020.30 *et seq.*, and 39 CFR 3015.5; *Public Representative*: Kenneth R. Moeller; *Comments Due*: October 17, 2019.

This Notice will be published in the **Federal Register**.

Darcie S. Tokioka,

Acting Secretary.

[FR Doc. 2019–22555 Filed 10–15–19; 8:45 am]

BILLING CODE 7710–FW–P

POSTAL SERVICE

Product Change—Priority Mail and First-Class Package Service Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Date of required notice*: October 16, 2019.

FOR FURTHER INFORMATION CONTACT: Sean Robinson, 202–268–8405.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on October 9, 2019, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Contract 553* to

Competitive Product List. Documents are available at www.prc.gov, Docket Nos. MC2020–5, CP2020–6.

Sean Robinson,

Attorney, Corporate and Postal Business Law.

[FR Doc. 2019–22475 Filed 10–15–19; 8:45 am]

BILLING CODE 7710–12–P

POSTAL SERVICE

Product Change—Priority Mail and First-Class Package Service Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Date of required notice*: October 16, 2019.

FOR FURTHER INFORMATION CONTACT: Sean Robinson, 202–268–8405.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on October 9, 2019, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & First-Class Package Service Contract 122 to Competitive Product List*. Documents are available at www.prc.gov, Docket Nos. MC2020–6, CP2020–7.

Sean Robinson,

Attorney, Corporate and Postal Business Law.

[FR Doc. 2019–22474 Filed 10–15–19; 8:45 am]

BILLING CODE 7710–12–P

POSTAL SERVICE

Product Change—Priority Mail and First-Class Package Service Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Date of required notice*: October 16, 2019.

FOR FURTHER INFORMATION CONTACT: Sean Robinson, 202–268–8405.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby

gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on October 10, 2019, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & First-Class Package Service Contract 123 to Competitive Product List*. Documents are available at www.prc.gov, Docket Nos. MC2020–9, CP2020–8.

Sean Robinson,

Attorney, Corporate and Postal Business Law.

[FR Doc. 2019–22559 Filed 10–15–19; 8:45 am]

BILLING CODE 7710–12–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–87264; File No. SR–NYSECHX–2019–08]

Self-Regulatory Organizations; NYSE Chicago, Inc.; Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Add Rules To Support the Transition of Trading to the Pillar Trading Platform

October 9, 2019.

I. Introduction

On August 6, 2019, NYSE Chicago, Inc. (“NYSE Chicago” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b–4 thereunder,² a proposed rule change in connection with the transition of trading on the Exchange to the Pillar trading platform, described below. The proposed rule change was published for comment in the **Federal Register** on August 26, 2019.³ The Commission received no comments on the proposed rule change. On October 2, 2019, the Exchange filed Amendment No. 1 to the proposed rule change, which supersedes and replaces the original filing in its entirety.⁴ The Commission is approving

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 86709 (August 20, 2019), 84 FR 44654 (“Notice”).

⁴ In Amendment No. 1, the Exchange proposes, among other things, to: (i) Extend the pilot period for proposed NYSE Chicago Rule 7.12 (Trading Halts Due to Extraordinary Market Volatility) to October 18, 2020; (ii) amend NYSE Chicago Article 17, Rule 5(c)(3) to add definitions of stock-option combination order and stock-future combination order and amend NYSE Chicago Article 1, Rule 1 to state that the definitions of stock-option combination order and stock-future combination order in NYSE Chicago Article 1, Rule 1 (jj) and (kk) are not applicable to trading on the Pillar trading platform; and (iii) cross reference Article 21, Rule 1 in proposed NYSE Chicago Rule 7.45(d)(2)(A).

Continued

the proposed rule change, as modified by Amendment No. 1, on an accelerated basis, and is soliciting comments on Amendment No. 1.

II. Description of the Proposal

In July 2018, NYSE Chicago and its direct parent company were acquired by NYSE Group, Inc., and the Exchange became part of a corporate family including NYSE Arca, Inc. (“NYSE Arca”), NYSE American LLC (“NYSE American”), NYSE National, Inc. (“NYSE National”) and New York Stock Exchange LLC (“NYSE”) (collectively, the “Affiliated Exchanges”).⁵ Since the acquisition, NYSE Chicago has continued to operate with rules distinct from those of the Affiliated Exchanges.⁶

The Exchange now proposes to transition trading in Tape A, Tape B, and Tape C-listed securities from its current trading platform to a fully automated price-time priority allocation model that operates on the Pillar trading platform, which is an integrated trading technology platform designed to use a single specification for connecting to the equities and options markets operated by the Exchange and its affiliates. NYSE Chicago would offer the same suite of orders and modifiers, generally, as are available on NYSE Arca or NYSE National.⁷ Accordingly, the Exchange proposes trading rules based on the rules and trading model of the cash equities platforms of those exchanges—including rules relating to orders and modifiers, ranking and display of orders, execution and routing of orders, and all other trading functionality—with certain differences in some of the details of its rules, as discussed below.

The Exchange states that it will continue to support its dual listings, but would not provide trading functions that support the operation of a primary listing exchange.⁸ Accordingly, the Exchange states, once it transitions to Pillar, NYSE Chicago will function most

similarly to NYSE National, which, unlike NYSE Arca, is not a listing exchange.⁹ The Exchange proposes, however, a number of substantive differences in its trading on the Pillar platform from how trading on NYSE Arca and NYSE National function.¹⁰

First, the Exchange states, it would continue to support Institutional Brokers,¹¹ as provided for under Article 17 of the current NYSE Chicago rules.¹² Second, the Exchange would continue to support a Qualified Contingent Trade (“QCT”) cross order modifier to facilitate compliance with the contingent trade exemption of Rule 611 of Regulation NMS.¹³ Third, the Exchange will continue to support non-regular way settlement instructions for cross orders and the ability for cross orders to be submitted in an increment as small as \$0.000001, as provided in its current rules.¹⁴ Fourth, the Exchange will not support Market Makers on the Exchange.¹⁵

The following is an overview of the proposed revisions to the Exchange’s existing rules as well as a more detailed

⁹ As a result, for example, the Exchange does not propose to operate any auctions and therefore does not propose rules like those of NYSE Arca to provide for auction functionality on the Exchange. Concomitantly, like NYSE National, the Exchange would offer “Auction-Only Orders,” which are orders designated to participate in an auction on the primary listing market. See NYSE National (and proposed NYSE Chicago) Rule 7.31(c). The Exchange would route all such orders to the primary listing market. See Notice at 44660 for a discussion of this and other, related provisions based on NYSE National rules. See also Securities Exchange Act Release No. 83289 (May 17, 2018), 83 FR 23968 (May 23, 2018) (SR–NYSENAT–2018–02).

¹⁰ See Notice at 44655.

¹¹ The term “Institutional Broker” is defined in Article 1, Rule 1(n) to mean a member of the Exchange who is registered as an Institutional Broker pursuant to the provisions of Article 17 and has satisfied all Exchange requirements to operate as an Institutional Broker on the Exchange.

¹² As detailed below, the Exchange proposes to amend the rules set forth under Article 17 as necessary to support differences in the Pillar trading platform as compared to the Exchange’s current trading rules. See *infra* notes 52–54 and accompanying text.

¹³ The QCT cross order modifier, which is currently described in Article 1, Rule 2(b)(2)(E) of the current NYSE Chicago rules, is designed for an Institutional Broker to comply with the contingent trade exemption. The Exchange states that, while NYSE Arca and NYSE National both describe this exemption in their respective rules, neither exchange offers a specific order type designed for this exemption. See Notice at 44655 and NYSE Arca Rule 7.37–E(f)(5) and NYSE National Rule 7.37(f)(5).

¹⁴ See *infra* note 29 and accompanying text.

¹⁵ Accordingly, the Exchange does not propose rules based on Section 2 of NYSE Arca Rule 7–E or NYSE National Rule 7, relating to market makers, and will not offer the “Q” order type described in NYSE Arca Rule 7.31–E(j) and NYSE National Rule 7.31(j). See Notice at 44655. “Q” orders are relevant only for market makers.

discussion of some of the proposed new rules for the Pillar trading platform.¹⁶

The following current rules of the Exchange will continue to be operative without any substantive changes:¹⁷ Article 2 (Committees); Article 3 (Participants and Participant Firms); Article 5 (except for Rule 1) (Access to the Exchange); Article 6 (Registration, Supervision and Training); Article 7 (Financial Responsibility and Reporting Requirements); Article 8 (except for Rule 17) (Business Conduct); Article 9 (except for Rule 23) (General Trading Rules); Article 10 (Margins); Article 11 (except for Rule 3(b)(8)) (Participant Books and Records); Article 12 (Disciplinary Matters and Trial Proceedings); Article 13 (Suspension—Reinstatement); Article 14 (Arbitration); Article 15 (Hearings and Reviews); Article 21 (Clearance and Settlement); and Article 22 (Listed Securities).¹⁸

Once trading on the Pillar trading platform begins, certain specified current Exchange rules would not be applicable, either because they are not relevant for Pillar or because there is an equivalent or replacement provision in the Pillar rules set that addresses the same topic.¹⁹ With respect, specifically,

¹⁶ See Notice, *supra* note 3, for a more complete description.

¹⁷ The Exchange’s existing rules will appear in its rulebook in their current numbering format following a rules set that is based on numbering system of NYSE National’s rules, the framework of which was recently adopted by the Exchange and is organized in 13 Rules. See Securities Exchange Act Release No. 85297 (March 12, 2019), 84 FR 9854 (March 18, 2019) (SR–NYSECHX–2019–03).

¹⁸ Regarding the exceptions to the rules included in this paragraph, see *infra* note 19.

¹⁹ These include: Certain of the definitions set forth in Article 1, Rule 1 (see *infra* note 24); Article 1, Rule 2 (Order Types, Modifiers, and Related Terms), covered in proposed Section 3 of Rule 7 (see *infra* text accompanying notes 32–48); Article 1, Rule 3 (Time) (see proposed Rule 1.1(e)), providing that all times in the Pillar Platform Rules are Eastern Time; Article 1, Rule 4 (Exchange Use of the Securities Information Processors) (see proposed Rule 7.37); Article 3, Rule 21 (Mandatory Participation Testing of Backup Systems), covered by proposed Rule 2.13 (see *infra* note 25); Article 4, relating to Book Feed and Connect service, which will not be offered on Pillar (see Notice at 44663); Article 5, Rule 1 (Access to Exchange Systems), covered by proposed Rule 7.29; Article 8, Rule 17 (Customer Disclosures), covered in proposed Rule 7.34; Article 9, Rule 23 (Short Sales), covered in proposed Rule 7.16; Article 11, Rule 3(b)(8), covered by proposed Rule 7.33, relating to capacity codes; Article 16 (Market Makers), not applicable on the Exchange (see *supra* note 15); Article 19 (Operation of the Routing Services), covered by proposed rule 7.45; Article 20, Rules 1–8, 10, 12–13, replaced by provisions in proposed Rule 7 covering trading sessions, trading halts, Limit Up-Limit Down Plan, firm orders, orders eligible for entry, prevention of trade-throughs, locked and crossed markets, operation of the matching system, clearly erroneous transactions, order cancellation, and reporting of transactions (see discussion *infra*); and Article 22, Rule 6(a)(3), relating to trading halts for derivative securities products traded pursuant to

Although the Exchange proposed with Amendment No. 1 to supersede and replace the original proposal, for ease of reference this Order cites to the published Notice with respect to those aspects of the original proposal that have not been changed. Amendment No. 1 is available at: <https://www.sec.gov/comments/sr-nysechx-2019-08/srnysechx201908-6244417-192732.pdf>.

⁵ See Securities Exchange Act Release No. 83635 (July 13, 2018), 83 FR 34182 (July 19, 2018) (SR–CHX–2018–004); see also Securities Exchange Act Release No. 83303 (May 22, 2018), 83 FR 24517 (May 29, 2018) (SR–CHX–2018–004).

⁶ See Notice, *supra* note 3, at 44655.

⁷ See *id.* at footnote 8 for a discussion of the differences between the rules of NYSE Arca and NYSE National and those of markets of the other Affiliated Exchanges that share a substantial number of trading functions and Pillar platform rules with them.

⁸ See Notice at 44655.

to the Exchange's current rules regarding cross orders, certain aspects of these rules that are unique to NYSE Chicago would be integrated within the rules governing crosses in the Pillar platform,²⁰ while certain of these would be eliminated in Pillar.²¹

The new rules relating to trading on the Pillar platform that are proposed in this filing will be added in Rules 0, 1, 2, and 7 of the recently adopted new numbering framework.²² They include the following:

Rule 0—Regulation of the Exchange and ETP Holders

Proposed NYSE Chicago Rule 0 would establish the regulation of the Exchange and Participants. Proposed NYSE Chicago Rule 0 would provide that the Exchange and FINRA are parties to a regulatory services agreement in which FINRA will perform certain functions on behalf of the Exchange, with the Exchange retaining ultimate legal responsibility for, and control of, such functions. The proposed rule is based on the NYSE National Rule 0 and NYSE Arca Rule 0 without any differences.²³

Rule 1—Definitions

Proposed NYSE Chicago Rule 1 would contain definitions applicable to trading on the Exchange's Pillar platform. The Exchange represents that the definitions are based on the rules of NYSE Arca, NYSE American, and NYSE National.²⁴

Rule 2—Trading Permits

The Exchange proposes to add proposed NYSE Chicago Rule 2.13 concerning the mandatory testing of the Exchange's business continuity and disaster recovery plans. Proposed NYSE Chicago Rule 2.13 provides that the Exchange will establish standards to

unlisted trading privileges, covered by proposed Rule 7.18. For each current rule (or Article) that would not be applicable for trading on the Pillar trading platform, the Exchange proposes to state in a preamble to such rule that "this Rule/Article is not applicable to trading on the Pillar trading platform."

²⁰ As previously mentioned, the Exchange would continue to support the QCT cross order type, which is designed for Institutional Brokers to comply with the contingent trade exemption. See *supra* note 13. Similarly, it would retain the "Cross with Size" modifier available in its existing rules. However, the Exchange proposes to no longer offer "Benchmark" or "Midpoint Cross" orders once it transitions to Pillar.

²¹ See *infra* notes 39–48 and accompanying text.

²² See *supra* note 17.

²³ See Notice at 44656.

²⁴ Because these definitions would be applicable to the rules pertaining to trading on Pillar, the Exchange proposes to amend Article 1, Rule 1 of the existing rules to specify which current definitions would not be applicable to trading on the Pillar trading platform. See Notice at 44657–58 and additional current definitions specified in Amendment No. 1.

identify Participants that it reasonably determines are the minimum necessary for the maintenance of fair and orderly markets in the event the Exchange's business continuity and disaster recovery plans are activated and require designated Participants to participate in the functional and performance testing of the Exchange's business continuity and disaster recovery plans.²⁵ The Exchange represents that proposed NYSE Chicago Rule 2.13 is based on NYSE National Rule 2.13 without any substantive differences.²⁶

Rule 7—Equities Trading

To accommodate trading on Pillar, the Exchange proposes to adopt in NYSE Chicago Rule 7, "Equities Trading," rules that are based largely on the equivalent rules of NYSE National and NYSE Arca for their cash equities trading platforms.²⁷

Proposed NYSE Chicago Rule 7 is divided into six sections. In Section 1, "General Provisions," the Exchange proposes to add provisions relating to units of trading; trading differentials; anonymity of bids and offers; binding prices; clearly erroneous executions; Exchange compliance with the Limit Up-Limit Down National Market System Plan; trading halts; short sales; and firmness of quotes.²⁸

²⁵ "Participants"—defined formally in Article 1, Rule 1(s) of the Exchange's existing rules—signifies, generally, persons who are permitted to trade on the Exchange, who are deemed "members" for purposes of the Act. The Exchange proposes to retain its current rules governing membership and registration, which are found, generally, in Article 3 of its existing rules and thus does not propose to add any membership rules in Rule 2 (Trading Permits) corresponding to those of NYSE National in its Rule 2, with the exception of proposed Rule 2.13, which is being added, according to the Exchange, to maintain consistency among the Affiliated Exchanges. Correspondingly, the Exchange proposes to amend Article 3, Rule 21 of its existing rules to add a preamble stating that such rule would not be applicable to trading on the Pillar trading platform.

²⁶ See Notice at 44658.

²⁷ See *supra* note 7. Certain rules would differ from the NYSE Arca and NYSE National rules, as discussed within the descriptions below. In addition, the Exchange has identified certain trading rules of NYSE Arca and NYSE National that it is not proposing to adopt. For example, as already noted, the Exchange would not operate auctions and therefore is not proposing rules pertaining to auction procedures (see *supra* note 9), and is also not proposing to adopt rules relating to market makers (*supra* note 15). In addition, the Exchange does not propose rules based on NYSE National Rule 7.14 and 7.41, relating to clearing. Current Article 21 (Clearance and Settlement) will continue to be operative on the Pillar trading platform without any differences. See *supra* note 17 and accompanying text.

²⁸ See Notice at 44658 and proposed NYSE Chicago Rules 7.5, 7.6, 7.7, 7.9, 7.10, 7.11, 7.12, 7.16, 7.17, and 7.18. The Exchange proposes to add NYSE Chicago Rules 7.14 and 7.15 and designate them as "Reserved" to maintain continuity of rule

The Exchange proposes a difference from the rules of NYSE Arca and NYSE National within this section relating to trading differentials in proposed Rule 7.6. Based on its current rules, NYSE Chicago proposes that, a Cross Order, whether priced less than or at or above \$1.00, would be permitted to be submitted in an increment as small as \$0.000001 unless the Cross Order has been designated with regular way settlement terms and does not meet Cross with Size.²⁹

The Exchange proposes another difference from the rules of NYSE Arca and NYSE National within this section, relating to settlement terms. Whereas the rules of those exchanges, in Rule 7.8, provide that bids and offers are considered to be "regular way" settlement terms, the proposed NYSE Chicago rules would make an exception based on its current rules that would provide that Cross Orders would be considered to be "regular way" unless designated with either of the following settlement terms: "Cash" or "Next Day".³⁰ Also based in part on current rules, a cross order marked for non-regular way settlement would be permitted under the proposed rules to execute at any price, without regard to the NBBO or any other orders in the Matching System.³¹

Section 3 of proposed NYSE Chicago Rule 7,³² "Exchange Trading," sets forth provisions regarding authorized access to the Exchange and establishes rules relating to the kinds of order types

numbering with the rules of NYSE Chicago's exchange affiliates. See Notice at footnote 23.

²⁹ See current Article 20, Rule 4(a)(7)(B). For Cross Orders designated with regular way settlement terms (that do not meet Cross with Size requirements), the cross price would be required to be (i) at least \$0.01 above (below) the BB (BO) if the cross price is at or above \$1.00 or (ii) at least \$0.0001 above (below) the BB (BO) if the cross price is under \$1.00.

³⁰ A Cross Order designated for "non-regular way" settlement would be permitted to execute at any price without regard to the Protected Best Bid or Offer or any orders on the Exchange's book. See proposed Rules 7.8 and 7.8A. The Exchange states that this proposed rule text is based in part on current Article 20, Rule 4(a)(7)(A), which provides that a cross order may be submitted for non-regular way settlement, and current Article 1, Rule 2(e)(2), which provides that cross orders may be settled with one of three conditions: Cash, Next Day, or Seller's Option. However, on Pillar, the Exchange does not propose to offer Seller's Option non-regular way settlement instructions. See Notice at 44662. See also *id.* for a discussion of other changes that the Exchanges proposes to implement with respect to current Article 1, Rule 2(e).

³¹ See Article 1, Rule 2(e)(2). See also Article 20, Rule 8(e)(3).

³² As noted above, the Exchange at this time will not support market makers, and therefore, does not propose the rules relating to market makers that make up Section 2 of the Pillar rules of Affiliated Exchanges, and proposes instead to designate Section 2 as "Reserved."

available on the Exchange and how they are designed to trade. Section 3 of proposed Rule 7 also would set forth the rules of the Exchange relating to order entry (including one substantive difference from the rules of NYSE Arca and NYSE National);³³ the codes by which the ETP Holder submitting an order must indicate whether it is acting in a principal, agency, or riskless principal capacity; and the three trading sessions for which the Exchange will be open (early, core, and late), including the order types that may be traded in each and the disclosures that Participants must make to non-Participants that send orders to them for trading in the early or late session regarding, among other things, the risks that may apply to such orders.³⁴

Further, Section 3 of proposed NYSE Chicago Rule 7 would establish rules relating to the display and non-display of various order types, the ranking of orders in the Exchange book with respect to execution priority, and the role of price and time in determining such priority.³⁵ The section also includes proposed rules that pertain to routing of orders to away markets; the prohibition of trading through protected quotations and exceptions thereto; and compliance with other aspects of Regulation NMS under the Act.³⁶ It also lists the data feeds that the Exchange proposes to use for the handling, execution, and routing of orders, as well as regulatory compliance.³⁷ Additional proposed rules in Section 3 relate to odd lot and mixed lot trading on the Exchange; and trade execution and reporting.³⁸

In Section 3, the Exchange proposes, as already mentioned,³⁹ to combine existing Pillar functionality relating to cross orders with the Exchange's current cross order offerings. Proposed Rule 7.31(g) would first define Cross Orders as two-sided orders with instructions to match the identified buy-side with the identified sell-side at a specified price (the "cross price"), and is based on NYSE Arca and NYSE National rules. As in the rules of those other exchanges,

Rule 7.31(g) would further provide that a Cross Order must trade in full at its cross price and will not route. NYSE Chicago, however—unlike at the other exchanges—proposes to permit a Cross Order to be designated with non-regular way settlement instructions, based on current Exchange rules, stating that this proposed provision is based on its current rules.⁴⁰ Also based on its current rules, the Exchange proposes to further provide in its version of Rule 7.31(g) that a Cross Order entered by an Institutional Broker may represent interest of one or more Participants and may be executed as agent or principal.⁴¹

Proposed Rule 7.31(g)(1) would set forth the proposed "Limit IOC Cross Order," which is based in part on how the Limit IOC Cross Order functions on NYSE Arca and NYSE National. As proposed, a Limit IOC Cross Order would be a Cross Order that would be rejected under the following circumstance: (a) If the cross price would trade through the PBBO;⁴² (b) if the cross price is not between the BBO, unless it meets Cross with Size requirements, in which case the cross price may be equal to the BB (BO);⁴³ or (c) if there is no PBB or PBO or the PBBO is locked or crossed. As on NYSE Arca and NYSE National, under the proposed rule the Exchange would accept and execute a Limit IOC Cross Order that is priced between the BBO—a functionality currently not available on the Exchange—and the cross will be executed even if there are non-displayed or odd-lot sized buy or sell orders

⁴⁰ See Article 1, Rule 2(e)(2) of the current rules, which provides that the Exchange's Matching System will only accept cross orders for non-regular way settlement.

⁴¹ The Exchange states that this proposed provision is based in part on current Article 1, Rule 2(b)(2)(E), which provides that Institutional Brokers may execute a cross order as agent or principal, and current Article 1, Rule 2(g)(1), which provides that a cross order with Cross with Size may represent interest of one or more Participants of the Exchange. On Pillar, the Exchange proposes that any Cross Order entered by an Institutional Broker may represent interest of one or more Participants on the Exchange.

⁴² The term PBBO is defined on NYSE Arca and NYSE National, and would be defined on the Exchange under proposed Rule 1.1(o) to mean the best Protected Bid and the Best Protected Offer, as those terms are defined in Rule 600(b)(57) of Regulation NMS.

⁴³ The BBO is defined on NYSE Arca and NYSE National, and would be defined on the Exchange under proposed Rule 1.1(c), to mean the best bid or offer that is a Protected Quotation on the Exchange. The term "BB" would mean the best bid that is a Protected Quotation on the Exchange and the term "BO" would mean the best offer that is a Protected Quotation on the Exchange. Pursuant to proposed Rule 1.1(r), the term "Protected Quotation" would mean a Protected Bid or Protected Offer and references definitions under Rule 600(b) of Regulation NMS. Odd-lot sized bids and offers are not Protected Quotations.

between the BBO.⁴⁴ The proposed rule text differs from the NYSE Arca and NYSE National rules to account for the availability of the Cross with Size modifier (described immediately below) which, when utilized, would permit the cross price to be equal to the BB or BO.

The Cross with Size modifier permits a cross order of at least 5,000 shares of the same security with a total value of at least \$100,000 to execute, notwithstanding resting orders in the book at the same price. To qualify, the cross order must be larger than the largest order displayed on the Exchange Book at the BB or BO.⁴⁵

Proposed Rule 7.31(g)(2) would define a QCT Cross Order as a Cross Order that is part of a transaction consisting of two or more component orders that qualifies for a Contingent Order Exemption under proposed Rule 7.37(f)(5).⁴⁶ The proposed rule would provide that a QCT Cross Order, which would be available only to Institutional Brokers,⁴⁷ would be rejected if the cross price is not between the BBO (unless it meets Cross with Size requirements). However, because, as noted above, Cross Orders generally would newly be permitted to execute on the Exchange if the cross price is between the BBO,⁴⁸ the Exchange would also apply this functionality when it transitions QCT Cross Orders to Pillar.

Another difference in Section 3 from the rules of NYSE Arca and NYSE National is proposed in Rule 7.32 (Order Entry), which provides, generally, that orders entered that are greater than five million shares in size are to be rejected. NYSE Chicago's proposed rule, based on the rules of NYSE, another Affiliated Exchange, would provide an exception in the case of Cross Orders, which the Exchange will accept in sizes up to 25 million shares.⁴⁹

Section 4 of proposed NYSE Chicago Rule 7, "Operation of Routing Broker," would define "routing broker" as "the

⁴⁴ See Notice at 44661.

⁴⁵ The Exchange states that the Cross with Size modifier, which would be set forth in proposed Rule 7.31(g)(3), is based in part on Article 1, Rule 2(g)(1) of the current rules with differences to reflect that on Pillar, Cross Orders would be eligible to execute if the cross price is between the BBO even without a size requirement. See *supra* note 44 and Notice at 44662. Because of this, Cross with Size would only be necessary if the proposed cross price is equal to the BB (BO).

⁴⁶ Proposed Rule 7.37(f)(5), which is based on corresponding rules of NYSE Arca and NYSE National, would set forth the requirements for a transaction to qualify as a QCT Cross Order.

⁴⁷ See proposed Rule 7.31(g)(b)(2). The Exchange states that this proposed provision is based on current Article 1, Rule 2(b)(2)(E), which provides that a QCT cross order modifier may only be utilized by an Institutional Broker.

⁴⁸ See *supra* note 44 and Notice at 44662.

⁴⁹ See *supra* note 33.

³³ As set forth in proposed NYSE Chicago Rule 7.32 (Order Entry), unlike NYSE Arca and NYSE National rule, the Exchange would accept cross orders that are up to 25 million shares in size. The Exchange states that this provision is based on NYSE Rule 7.32. See Notice at 44663.

³⁴ See proposed NYSE Chicago Rules 7.33 (Capacity Codes); and 7.34 (Trading Sessions).

³⁵ See proposed NYSE Chicago Rule 7.36 (Order Ranking and Display).

³⁶ See proposed NYSE Chicago Rule 7.37 (Order Execution and Routing).

³⁷ *Id.*

³⁸ See proposed NYSE Chicago Rules 7.38 and 7.40, respectively.

³⁹ See *supra* note 20.

broker-dealer affiliate of the Exchange and/or any other non-affiliate third-party broker-dealer that acts as a facility of the Exchange for routing orders entered into Exchange systems to other market centers for execution whenever such routing is required by the Rules of the Exchange or the federal securities laws.”⁵⁰ In Section 4, the Exchange further proposes rules covering outbound and inbound routing functions.⁵¹

As noted above, the Exchange proposes changes to existing Article 17 of its rules to support differences in the Pillar trading platform as compared to the Exchange’s current trading rules.⁵² The Exchange proposes to amend Article 17 to specify order types defined under proposed Exchange Rule 7.31 that an Institutional Broker would not be able to enter via BrokerPlex⁵³ and specify that the *Quote@Exchange* and *Reprice@Exchange* order types will not be available on Pillar.⁵⁴

⁵⁰ See proposed NYSE Chicago Rule 7.45, which comprises the whole of Section 4.

⁵¹ See Notice at 44661 for additional details. The proposed rule would also set forth the parameters of the Exchange’s relationship with its affiliated broker-dealer, Archipelago Securities LLC, which would function solely as a routing broker on behalf of both the Exchange and the Affiliated Exchanges. See *id.*

⁵² See *supra* note 12.

⁵³ BrokerPlex is an order and trade entry, recordation and management system developed and operated by the Exchange for use by affiliated representatives of Institutional Brokers as provided in Article 17, Rule 5. The orders that would not be available include: Inside Limit Orders, Auction-Only Orders, MPL Orders, Tracking Orders, ISOs, Primary Only Orders, Primary Until 9:45 Orders, Primary After 3:55 Orders, Pegged Orders, Non-Display Remove Modifier, Proactive if Locked or Crossed Modifier, Self-Trade Prevention Modifier, and Minimum Trade Size Modifier. The Exchange states that, while these order types would not be available via Brokerplex, an Institutional Broker could enter these orders via any other system that they choose to use to connect with the Exchange, just as any other NYSE Chicago Participant could choose to do.

⁵⁴ The Exchange also proposes to renumber these order types as proposed NYSE Chicago Rule 5(c)(3)(C) and (D), respectively. See in this regard Amendment No. 1. Further in Amendment No. 1, the Exchange proposes to move text relating to Stock-Option Combination Orders, and Stock-Future Combination Orders, which are currently defined in Article 1, Rule 1(jj)-(kk), to new subparagraphs (A) and (B) under Article 17, Rule 5(c)(3). As noted above, the Exchange proposes to specify that certain provisions of Article 1, Rule 1 (Definitions) would not be applicable to trading on Pillar. Because both Stock-Option and Stock-Future Combination Orders are currently available via Brokerplex, the Exchange proposes to amend its rules to specify that these are order types that would be available via Brokerplex. The Exchange states that, because such orders are cross orders, an order that meets the requirements of either a Stock-Option or Stock-Future Combination Order could be entered for execution on Pillar as either a QCT Cross Order (if it also meets the requirements of QCT) or a Limit IOC Cross Order, as described above. Such orders would continue to be subject to Article 20, Rule 11 and the Exchange proposes non-

Finally, the Exchange proposes to amend Article 12, Rule 8(h) (Exchange Rules and Policies subject to the Minor Rule Violation Plan) as follows: (1) Delete the reference to “Failure to Clear the Matching System (Article 20, Rule 7),” as this rule has been eliminated, and reserve Rule 8(h)(2)(F); (2) add proposed NYSE Chicago Rules 7.6 (concerning minimum trading increments, 7.16 (short sales) and 7.30 (failure to comply with authorized trader requirements) as subject to the Exchange’s minor rule violation plan.

III. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change, as modified by Amendment No. 1, is consistent with the requirements of the Act and rules and regulations thereunder applicable to a national securities exchange.⁵⁵ In particular, the Commission finds that the amended proposed rule change is consistent with Section 6(b)(5) of the Act,⁵⁶ which requires, among other things, that the rules of a national securities exchange be 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, and are not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

1. Transitioning of Exchange Trading to the Pillar Trading Platform

The Exchange’s proposal would transition trading on the Exchange from the current trading platform to the Pillar platform as a fully-automated cash equities trading market with a price-time priority allocation model. As discussed at length in the proposed rule change, as amended, the re-launched Exchange would neither list securities nor operate an auction, although it would retain its dual-listed securities.

The Commission notes that the Exchange’s amended proposal would establish new rules that are based on, and are substantially similar to, the rules of its Affiliated Exchanges and its current rules, which were filed and approved by the Commission (or which became immediately effective) pursuant to Section 19(b) of the Act.⁵⁷ Several of

substantive amendments to that rule to update rule cross references.

⁵⁵ In approving the proposed rule changes, the Commission has considered their impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

⁵⁶ 15 U.S.C. 78f(b)(5).

⁵⁷ See 78 U.S.C. 78s(b).

its Affiliated Exchanges currently operate using the Pillar trading platform, and a number of other national securities exchanges operate fully electronic markets. Under the proposal, the Exchange would retain many of its existing rules that are unique to the Exchange—such as its rules relating to Institutional Brokers, the QCT cross order modifier, provisions for trades with non-regular way settlement and permitted trading differentials for such trades—and adjust them, where appropriate, with respect to the Pillar platform, and, in the case of cross orders, integrate them within the Pillar rules while adopting several features of the related rules of the Affiliated Exchanges. Accordingly, the Commission finds that the amended proposal raises no novel regulatory issues, that it is reasonably designed to protect investors and the public interest, and that it is consistent with the requirements of the Act.

2. Section 11(a) of the Act

Section 11(a)(1) of the Act⁵⁸ prohibits a member of a national securities exchange from effecting transactions on that exchange for its own account, the account of an associated person, or an account over which it or its associated person exercises investment discretion (collectively, “covered accounts”) unless an exception applies. Rule 11a2–2(T) under the Act,⁵⁹ known as the “effect versus execute” rule, provides exchange members with an exemption from the Section 11(a)(1) prohibition. Rule 11a2–2(T) permits an exchange member, subject to certain conditions, to effect transactions for covered accounts by arranging for an unaffiliated member to execute transactions on the exchange. To comply with Rule 11a2–2(T)’s conditions, a member: (i) Must transmit the order from off the exchange floor; (ii) may not participate in the execution of the transaction once the order has been transmitted to the member performing the execution;⁶⁰ (iii) may not be affiliated with the executing member; and (iv) with respect to an account over which the member or an associated person has investment discretion, neither the member nor an associated person may retain any compensation in connection with effecting the transaction except as provided in the Rule. For the reasons set forth below, the Commission believes that Participants entering orders into the

⁵⁸ 15 U.S.C. 78k(a)(1).

⁵⁹ 17 CFR 240.11a2–2(T).

⁶⁰ This prohibition also applies to associated persons of the initiating member. The member may, however, participate in clearing and settling the transaction.

Exchange's Pillar trading system would satisfy the requirements of Rule 11a2-2(T).

Rule 11a2-2(T)'s first requirement is that orders for covered accounts be transmitted from off the exchange floor. The Exchange represents that it will not have a physical trading floor when it re-launches trading and the Exchange's Pillar trading system will receive orders from members electronically through remote terminals or computer-to-computer interfaces.⁶¹ In the context of other automated trading systems, the Commission has found that the off-floor transmission requirement is met if a covered account is transmitted from a remote location directly to an exchange's floor by electronic means.⁶² Because the Pillar trading system receives orders electronically through remote terminals or computer-to-computer interfaces, the Commission believes that the Pillar trading system would satisfy this off-floor transmission requirement.

Second, Rule 11a2-2(T) requires that neither the initiating member nor an associated person of the initiating member participate in the execution of the transaction at any time after the order for the transaction has been transmitted. The Exchange represents that the Pillar trading system would at no time following the submission of an order allow a Member or an associated person of the Member to acquire control or influence over the result or timing of the order's execution.⁶³ According to the Exchange, the execution of a Member's order would be determined solely by the quotes and orders that are present in the system at the time the member submits the order and by the order priority under the Exchange rules.⁶⁴ Accordingly, the Commission

believes that an Exchange member and its associated persons would not participate in the execution of an order submitted to the Pillar trading system.

Third, Rule 11a2-2(T) requires that the order be executed by an exchange member that is not associated with the member initiating the order. The Commission has stated that this requirement is satisfied when automated exchange facilities are used, as long as the design of these systems ensures that members do not possess any special or unique trading advantages in handling their orders after transmitting them to the exchange.⁶⁵ The Exchange represents that the design of the Pillar trading system ensures that no Participant has any special or unique trading advantage in the handling of its orders after transmitting its orders to the Exchange.⁶⁶ Based on the Exchange's representation, the Commission believes that the Pillar trading system would satisfy this requirement.

Fourth, in the case of a transaction effected for an account with respect to which the initiating member or an associated person thereof exercises investment discretion, neither the initiating member nor any associated person may retain any compensation in connection with effecting the transaction, unless the person authorized to transact business for the account has expressly provided otherwise by written contract referring to Section 11(a) of the Act and Rule

modifying orders, or from modifying the instructions for executing orders, after they have been transmitted, provided that such cancellations or modifications are transmitted from off an exchange floor. *See id.* The Commission has stated that the non-participation requirement is satisfied under such circumstances so long as the modifications or cancellations are also transmitted from off the floor. *See* Securities Exchange Act Release No. 14563 (March 14, 1978), 43 FR 11542 (March 17, 1978) ("1978 Release") (stating that the "non-participation requirement does not prevent initiating members from canceling or modifying orders (or the instructions pursuant to which the initiating member wishes orders to be executed) after the orders have been transmitted to the executing member, provided that any such instructions are also transmitted from off the floor").

⁶⁵ In considering the operation of automated execution systems operated by an exchange, the Commission noted that, while there is not an independent executing exchange member, the execution of an order is automatic once it has been transmitted into the system. Because the design of these systems ensures that members do not possess any special or unique trading advantages in handling their orders after transmitting them to the exchange, the Commission has stated that executions obtained through these systems satisfy the independent execution requirement of Rule 11a2-2(T). *See* Securities Exchange Act Release No. 15533 (January 29, 1979), 44 FR 6084 (January 31, 1979).

⁶⁶ *See* Notice at 44665.

11a2-2(T) thereunder.⁶⁷ Members trading for covered accounts over which they exercise investment discretion must comply with this condition in order to rely on the rule's exemption.⁶⁸

IV. Solicitation of Comments on Amendment No. 1 to the Proposed Rule Change

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether Amendment No. 1 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-NYSECHX-2019-08 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-NYSECHX-2019-08. 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 website (<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

⁶⁷ In addition, Rule 11a2-2(T)(d) requires that, if a member or associated person is authorized by written contract to retain compensation in connection with effecting transactions for covered accounts over which the member or associated person thereof exercises investment discretion, the member or associated person must furnish at least annually to the person authorized to transact business for the account a statement setting forth the total amount of compensation retained by the member or any associated person thereof in connection with effecting transactions for the account during the period covered by the statement. *See* 17 CFR 240.11a2-2(T)(d). *See also* 1978 Release, *supra* note 107 ("The contractual and disclosure requirements are designed to assure that accounts electing to permit transaction-related compensation do so only after deciding that such arrangements are suitable to their interests").

⁶⁸ The Exchange represents that it will advise its membership through the issuance of a Regulatory Bulletin that those Participants trading for covered accounts over which they exercise investment discretion must comply with this condition in order to rely on the exemption in Rule 11a2-2(T). *See* Notice at 44665.

⁶¹ *See* Notice at 44665.

⁶² In the context of other all-electronic systems, the Commission has similarly found that the off-floor transmission requirement is met if the system receives orders electronically through remote terminals or computer-to-computer interfaces. *See, e.g.,* Securities Exchange Act Release Nos. 61419 (January 26, 2010), 75 FR 5157 (February 1, 2010) (SR-BATS-2009-031) (approving BATS options trading); 59154 (December 23, 2008), 73 FR 80468 (December 31, 2008) (SR-BSE-2008-48) (approving equity securities listing and trading on BSE); 57478 (March 12, 2008), 73 FR 14521 (March 18, 2008) (SR-NASDAQ-2007-004 and SR-NASDAQ-2007-080) (approving NOM options trading); 53128 (January 13, 2006), 71 FR 3550 (January 23, 2006) (File No. 10-131) (granting the application of The Nasdaq Stock Market LLC for registration as a national securities exchange); and 44983 (October 25, 2001), 66 FR 55225 (November 1, 2001) (SR-PCX-00-25) (approving the establishment of the Archipelago Exchange as the equities trading facility of PCX Equities, Inc., a subsidiary of the Pacific Exchange, Inc.).

⁶³ *See* Notice at 44665.

⁶⁴ *See id.* The Exchange notes that Rule 11a2-2(T) does not preclude a member from cancelling or

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 website 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. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSECHX-2019-08 and should be submitted on or before November 6, 2019.

V. Accelerated Approval of Proposed Rule Change, as Modified By Amendment No. 1

The Commission finds good cause to approve the proposed rule change, as modified by Amendment No. 1, prior to the thirtieth day after the date of publication of notice of the filing of Amendment No. 1 in the **Federal Register**. As discussed above, in Amendment No. 1, the Exchange proposes, among other things, to: (i) Extend the pilot period for proposed NYSE Chicago Rule 7.12 (Trading Halts Due to Extraordinary Market Volatility) to October 18, 2020; (ii) amend NYSE Chicago Article 17, Rule 5(c)(3) to add definitions of stock-option combination order and stock-future combination order and amend NYSE Chicago Article 1, Rule 1 to state that the definitions of stock-option combination order and stock-future combination order in NYSE Chicago Article 1, Rule 1 (jj) and (kk) are not applicable to trading on the Pillar trading platform; and (iii) cross reference Article 21, Rule 1 in proposed NYSE Chicago Rule 7.45(d)(2)(A). The proposed changes do not introduce any rules that differ in any substantive manner from rules that previously have been approved by the Commission, or that have become immediately effective, pursuant to Section 19(b) of the Act. Accordingly, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act,⁶⁹ to approve the proposed rule change, as modified by Amendment No. 1, on an accelerated basis so that the Exchange can commence its transition

to the Pillar platform without unnecessary delay.

VI. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁷⁰ that the proposed rule change (SR-NYSECHX-2019-08), as modified by Amendment No. 1, be and hereby is approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷¹

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2019-22483 Filed 10-15-19; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-87266; File No. SR-BOX-2019-24]

Self-Regulatory Organizations; BOX Exchange LLC; Notice of Designation of Longer Period for Commission Action on Proposed Rule Change To Amend Rule 7600

October 9, 2019.

On August 8, 2019, BOX Exchange LLC ("BOX" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² a proposed rule change to provide split-price functionality to Complex and multi-leg QOO Orders on the BOX Trading Floor. The proposed rule change was published for comment in the **Federal Register** on August 27, 2019.³ The Commission has received no comment letters on the proposed rule change.

Section 19(b)(2) of the Act⁴ provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be

⁷⁰ *Id.*

⁷¹ 17 CFR 200.30-3(a)(31).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 86723 (August 21, 2019), 84 FR 44954.

⁴ 15 U.S.C. 78s(b)(2).

disapproved. The 45th day for this filing is October 11, 2019.

The Commission is extending the 45-day time period for Commission action on the proposed rule change. The Commission finds that it is appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the proposed rule change.

Accordingly, pursuant to Section 19(b)(2)(A)(ii)(I) of the Act⁵ and for the reasons stated above, the Commission designates November 25, 2019, as the date by which the Commission shall either approve, disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. BOX-2019-24).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁶

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2019-22485 Filed 10-15-19; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-87261; File No. SR-CBOE-2019-096]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Make Minor Updates and Consolidate Various Exchange Rules in Connection With Business Conduct on the Exchange, and Move Those Rules From the Currently Effective Rulebook to Proposed Chapter 8 of the Shell Structure for the Exchange's Rulebook That Will Become Effective Upon the Migration of the Exchange's Trading Platform to the Same System Used by the Cboe Affiliated Exchanges

October 9, 2019.

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 4, 2019, Cboe Exchange, Inc. ("Exchange" or "Cboe Options") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a "non-controversial" proposed rule change pursuant to Section 19(b)(3)(A)(iii) of

⁵ 15 U.S.C. 78s(b)(2)(A)(ii)(I).

⁶ 17 CFR 200.30-3(a)(31).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

⁶⁹ 15 U.S.C. 78s(b)(2).

the Act³ and Rule 19b-4(f)(6) thereunder.⁴ 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

Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) proposes to make minor updates and consolidate various Exchange Rules in connection with business conduct on the Exchange, and move those Rules from the currently effective Rulebook (“current Rulebook”) to proposed Chapter 8 of the shell structure for the Exchange’s Rulebook that will become effective upon the migration of the Exchange’s trading platform to the same system used by the Cboe Affiliated Exchanges (as defined below) (“shell Rulebook”). The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange’s website (<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 Statutory Basis for, the Proposed Rule Change

1. Purpose

In 2016, the Exchange’s parent company, Cboe Global Markets, Inc. (formerly named CBOE Holdings, Inc.) (“Cboe Global”), which is also the parent company of Cboe C2 Exchange, Inc. (“C2”), acquired Cboe EDGA Exchange, Inc. (“EDGA”), Cboe EDGX Exchange, Inc. (“EDGX” or “EDGX Options”), Cboe BZX Exchange, Inc. (“BZX” or “BZX Options”), and Cboe BYX Exchange, Inc. (“BYX” and,

together with Cboe Options, C2, EDGX, EDGA, and BZX, the “Cboe Affiliated Exchanges”). The Cboe Affiliated Exchanges are working to align certain system functionality, retaining only intended differences, between the Cboe Affiliated Exchanges, in the context of a technology migration. Cboe Options intends to migrate its trading platform to the same system used by the Cboe Affiliated Exchanges, which the Exchange expects to complete on October 7, 2019. In connection with this technology migration, the Exchange has a shell Rulebook that resides alongside its current Rulebook, which shell Rulebook will contain the Rules that will be in place upon completion of the Cboe Options technology migration.

The Exchange proposes to consolidate current Chapter 4 and various other current rules in connection with business conduct on the Exchange into sections of proposed Chapter 8 (Business Conduct) in the shell Rulebook. The Exchange notes that in addition to consolidating and moving the various rules related to business conduct to proposed Chapter 8, the proposed rule change deletes the rules from the current Rulebook. The proposed rule change moves and, where applicable, consolidates the rules as follows:

Proposed rule	Current rule
Section A. General Conduct	
8.1 Just and Equitable Principles of Trade	4.1 Just and Equitable Principles of Trade.
8.2 Adherence to Law	4.2 Adherence to Law.
8.3 Gratuities	4.4 Gratuities.
8.4 Nominal Employment	4.5 Nominal Employment.
8.5 False Statements	4.6 False Statements.
8.6 Manipulation	4.7 Manipulation.
8.7 Rumors	4.8 Rumors.
8.8 Disciplinary Action by Other Organizations	4.9 Disciplinary Action by Other Organizations.
8.9 Other Restrictions on Trading Permit Holders	4.10 Other Restrictions on Trading Permit Holders. ⁵
8.10 Prevention of the Misuse of Material, Nonpublic Information	4.18 Prevention of the Misuse of Material, Nonpublic Information.
8.11 Prohibition Against Harassment	4.19 Prohibition Against Harassment.
8.12 Anti-Money Laundering Compliance Program	4.20 Anti-Money Laundering Compliance Program.
8.13 Third Party Deposits Prohibited	4.21 Third Party Deposits Prohibited.
8.14 Communications to the Exchange or the Clearing Corporation	4.22 Communications to the Exchange or the Clearing Corporation.
8.15 Unbundling of Orders to Maximize Rebates of Fees	4.23 Unbundling of Orders to Maximize Rebates of Fees.
8.16 Supervision	4.24 Supervision.
8.17 Proxy Voting	4.25 Proxy Voting.
8.18 Failure to Pay Premium ⁶	10.3 Failure to Pay Premium.
8.20 Prohibition Against Customers Functioning as Market-Makers	6.8 Prohibition Against Customers Functioning as Market-Makers.
8.21 Multiple Representation Prohibited	6.55 Multiple Representation Prohibited.
8.22 Trading by Trading Permit Holders on the Floor	6.22 Trading by Trading Permit Holders on the Floor.
Section B. Position Limits, Exercise Limits, Liquidation and Reports	
8.30 Position Limits	4.11 Position Limits.
8.31 Position Limits for Broad-Based Index Options	24.4 Position Limits for Broad-Based Index Options.
8.32 Position Limits for Industry Index Options	24.4A Position Limits for Industry Index Options.
8.33 Position Limits for Position Limits for Options on Micro Narrow-Based Indexes.	24.4B Position Limits for Options on Micro Narrow-Based Indexes As Defined Under Rule 24.2(d).
8.34 Position Limits for Individual Stock or ETF Based Volatility Index Options.	24.4C Position Limits for Individual Stock or ETF Based Volatility Index Options.

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(6).

Proposed rule	Current rule
8.35 Position Limits for FLEX Options	24A.7(a)–(c) Position Limits and Reporting Requirements [FLEX options, provisions regarding position limits].
8.36 Position Limits for Binary Options	22.6 Position Limits [binary options].
8.37 Position Limit for Range Options	20.6 Position Limits [range options].
8.38 Position Limits for Corporate Debt Security Options	28.2 Position Limits [corporate debt security options].
8.39 Position Limits for Credit Options	29.5 Position Limits [credit options].
8.40 Position Limits for Government Security Options	21.3 Position Limits [Treasury Bonds and Notes].
8.41 Position Limits on Interest Rate Options	23.3 Position Limits [interest rate options].
8.42 Exercise Limits	
8.42(a)	4.12 Exercise Limits.
8.42(b)	24.5 Exercise Limits [index options, including Interpretations and Policies].
8.42(c)	20.8 Exercise Limits [range options].
8.42(d)	28.3 Exercise Limits [corporate debt security options].
8.42(e)	21.4 Exercise Limits [government security options].
8.42(f)	23.4 Exercise Limits [interest rate options].
8.42(g)	24A.8 Exercise Limits [FLEX options].
8.42(h)	22.7 Exercise Limits [binary options], and 29.7 Exercise Limits [credit options].
8.43 Reports Related to Position Limits	
8.43(a)–(d)	4.13 Reports Related to Position Limits.
8.43(e)	20.7 Reports Related to Position Limits and Liquidation of Positions [range options].
8.43(f)	22.8 Reports Related to Position Limits and Liquidation of Positions [binary options].
8.43(g)	28.4 Reports Related to Position Limits and Liquidation of Positions [corporate debt security options].
8.43(h)	29.6 Reports Related to Position Limits and Liquidation of Positions [credit options].
8.43(i)	21.5 Reports Related to Position Limits and Liquidation of Positions (Treasury Bonds and Notes) [government security options].
8.43(j)	24A.7(d) Position Limits and Reporting Requirements [FLEX options, provision regarding reporting requirements].
8.44 Liquidation of Positions	4.14 Liquidation of Positions.
8.45 Limit on Outstanding Uncovered Short Positions	4.15 Limit on Outstanding Uncovered Short Positions.
8.46 Other Restrictions on Options Transactions and Exercises	
8.46(a)–(b)	4.16 Other Restrictions on Options Transactions and Exercises.
8.46(c)	22.9 Other Restrictions on Binary Options Transactions, and 24.10 Restrictions on Contracts [index options].

The proposed rule changes make only non-substantive changes to the rules in order to update headings that better flow with the consolidated rules, update references to other rule text that will be implemented upon migration, as well as correct inaccurate references, update certain technical text formatting that will be used in the Rules upon migration (specifically, changing all times to Eastern Time without time zone indication pursuant to Rule 1.6 in the shell Rulebook which states that unless otherwise specified, all times in the

Rules are Eastern Time), and reformat the paragraph lettering and numbering.

The proposed rule also makes non-substantive changes in connection with removing redundant rules and rule language. The proposed rule change removes Rule 29.8 which states that current Rule 4.16 (proposed Rule 8.46) shall be applicable to Credit Options, as this is redundant of the rule itself. The proposed change also removes redundant language under current Rules 21.5, 28.4, and 29.6, in connection with Government security options, Corporate Debt Security options, and Credit Options, respectively. The proposed rule change removes the language under each that states that the respective rule supplements current Rules 4.13 and 4.14. This language is redundant given the fact that these rules are being consolidated into the rules in which they reference and, as described below, the rules in which they reference are being updated so that they clearly cover Government security, Corporate Debt Security, and Credit options. The proposed rule change also removes the introductory clause (“in determining

compliance with Rule 4.12”) to current Rules 28.3, 21.4, 23.4, and 24A.8, because, as indicated in the table above, these rules will be consolidated into current Rule 4.12 (proposed Rule 8.42) which would make this language redundant. Additionally, the proposed rule change removes the language under current Rules 21.5, 28.4, and 29.6 that states that for the purposes of current Rules 4.13 and 4.14 (proposed Rules 8.43 and 8.44), references to current Rule 4.11 (proposed Rule 8.30) in connection with position limits shall be deemed, in the case of each respective option type, to be to the current position limit rule that governs that option type (e.g., in the case of Credit Options, references to current Rule 4.11 are deemed to be to current Rule 29.5). Instead, the proposed rule change replaces the references to current Rule 4.11 in proposed Rules 8.43 and 8.44 with the phrase “the applicable position limits Rule”, thereby encompassing the position limit provision for all respective options types and eliminating the need for the existing multiple cross-reference language in currently in Rules

⁵ See Securities Exchange Act Release No. 86910 (September 19, 2019) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Rule 4.10(b) Regarding the Notice Requirement in Connection with Trading Permit Holders that Clear Market-Maker Trades) (SR-CBOE-2019-055). The changes in SR-C2-2019-015 are currently effective but not yet operative; however, the proposed rule changes assume operativeness of those effective changes.

⁶ The Exchange notes that Rule 8.25 (Restriction on Acting as Market-Maker and Floor Broker) is currently in the shell Rulebook, and the proposed rule change merely updates the rule number to Rule 8.19 to fit within the structure of proposed Chapter 8 in its entirety.

21.5, 28.4, 29.6. Likewise, the proposed rule change removes the provision under current Rule 21A.7 which states that Rule 24A.7 supplements current Rule 4.11 generally, but supersedes Interpretations .02 and .04 of current Rule 4.11 and all of current Rules 24.4, 24.4A, 24.4B, 24.4C and 29.5 except to the extent those Rules are referred to in this rule. The Exchange proposes to remove the language in the above-described rules, as it believes the multiple layers of cross-references are unnecessarily cumbersome and potentially confusing for investors. It believes the proposed consolidated rules with updated and more concise cross-references make the proposed rules clear as to the specific position limit provisions that apply to different types of options.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁷ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁸ 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)⁹ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The proposed rule change does not make any substantive changes to the rules and is merely intended to consolidate, reorganize, and make nonsubstantive updates to the Exchange's rules in anticipation of the technology migration on October 7, 2019. The Exchange believes that the non-substantive proposed changes, which update technical text and formatting (e.g. paragraph headings and time-related references), update rule cross-references, correct inaccurate rule

cross-references, consolidate and reorganize rules and rule paragraphs and/or Interpretations and Policies, and remove redundant and/or cumbersome provisions that are potentially confusing for market participants, particularly in light of the consolidated shell Rulebook format, will foster cooperation and coordination with those facilitating transactions in securities and remove impediments to and perfect the mechanism of a free and open market and national market system by simplifying the Exchange Rules and Rulebook as a whole, and making its Rules easier to follow and understand, which will also result in less burdensome and more efficient regulatory compliance.

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 reiterates that the proposed rule change is being proposed in the context of a technology migration of the Cboe Affiliated Exchanges, and not as a competitive filing. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition because it does not make any substantive changes to the current Exchange Rules. The proposed rule change merely intends to provide consolidated rules upon migration and consistent technical text and formatting in the shell Rulebook that will be in place come October 7, 2019. The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition because the proposed rules are substantively the same as the Exchange's current rules, all of which have all been previously filed with the Commission.

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 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: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) 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 Act¹⁰ and Rule 19b-4(f)(6) thereunder.¹¹

A proposed rule change filed under Rule 19b-4(f)(6)¹² normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),¹³ the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative upon filing. As the Exchange represents above, the proposed rule change would consolidate current Chapter 4 and various other current rules in connection with business conduct on the Exchange into sections of proposed Chapter 8 (Business Conduct) in the shell Rulebook and would make only non-substantive changes to the relocated rules. The Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest because the proposal does not raise any new or novel issues and makes only non-substantive changes to the rules. The Commission therefore waives the 30-day operative delay and designates the proposal operative upon filing.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.

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:

¹⁰ 15 U.S.C. 78s(b)(3)(A).

¹¹ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

¹² *Id.*

¹³ 17 CFR 240.19b-4(f)(6)(iii).

¹⁴ For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(5).

⁹ *Id.*

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-2019-096 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-2019-096. 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 website (<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 website 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. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-CBOE-2019-096, and should be submitted on or before November 6, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁵

Jill M. Peterson,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-87262; File No. SR-NASDAQ-2019-082]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend The Nasdaq Options Market LLC Rules at Chapter VI and Chapter VII

October 9, 2019.

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 September 26, 2019, The Nasdaq Stock Market LLC ("Nasdaq" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II, 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 The Nasdaq Options Market LLC Rules at Chapter VI, Section 5, "Minimum Increments," Chapter VI, Section 6, "Acceptance of Quotes and Orders," Chapter VI, Section 7, "Entry and Display Orders," Chapter VI, Section 10, "Book Processing," Chapter VI, Section 21, "Order and Quote Protocols," Chapter VII, Section 5, "Obligations of Market Makers," and Chapter VII, Section 12, "Order Exposure Requirements." The Exchange proposes to relocate certain current rules to new Rules Chapter VI, Section 22, titled "Kill Switch" and 23, titled "Detection of Loss of Communication." The text of the proposed rule change is available on the Exchange's website at <http://nasdaq.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 Exchange proposes to amend Chapter VI, Section 5, "Minimum Increments," Chapter VI, Section 6, "Acceptance of Quotes and Orders," Chapter VI, Section 7, "Entry and Display Orders," Chapter VI, Section 10, "Book Processing," Chapter VI, Section 21, "Order and Quote Protocols," Chapter VII, Section 5, "Obligations of Market Makers," and Chapter VII, Section 12, "Order Exposure Requirements." The Exchange proposes to relocate certain current rules to new Rules Chapter VI, Section 22, titled "Kill Switch" and 23, titled "Detection of Loss of Communication." Each rule change will be discussed in greater detail below.

Chapter VI, Section 5 Minimum Increments

The Exchange proposes to amend Chapter VI, Section 5 to add a new Section 5(c) which provides, "A quote submitted to the System with an invalid trading increment will be re-priced. The quote will be rounded up to the nearest valid minimum price variation for offers and rounded down for bids." Today, a quote submitted to NOM with an invalid trading increment will be re-priced. The Exchange will round the price up to the nearest valid minimum price variation for offers and will round the price down for bids. The Exchange believes that providing this transparency within the Exchange's rules will provide Market Makers with greater information on the manner in which invalid increments will be handled by the System and provide them with expectations.

Chapter VI, Section 6 Acceptance of Quotes and Orders

Currently, Chapter VI, Section 6 is titled "Acceptance of Quotes and Orders." The Exchange proposes to retitle Chapter VI, Section 6 as "Entry and Display of Quotes." The Exchange proposes to add an (a) before the first paragraph. The Exchange is removing references to orders in this Rule because it also proposes to adopt a new Chapter VI, Section 7, titled "Entry and Display of Orders" to describe requirements for order entry.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

¹⁵ 17 CFR 200.30-3(a)(12).

The Exchange proposes to add a new section (b) to Chapter VI, Section 6 to describe the current requirements and conditions for submitting quotes. These requirements reflect the current System operation today. The Exchange proposes to memorialize the various requirements for the submission of quotes into the System for greater transparency. The Exchange proposes to provide at proposed Chapter VI, Section 6(b), "Quotes are subject to the following requirements and conditions:". The Exchange proposes to add at Chapter VI, Section 6(b)(1) that "Market Makers may generate and submit option quotations." Current Chapter VII, Section 6 makes clear that Market Makers may submit quotes,³ however the Exchange proposes to create a list of rules related to quote submission within this rule for ease of reference. The Exchange proposes to provide at proposed Chapter VI, Section 6(b)(2) that "The System shall time-stamp a quote which shall determine the time ranking of the quote for purposes of processing the quote." The Exchange notes that all quotes today are time-stamped for purposes of processing quotes. Proposed Rule Chapter VI, Section 6(b)(3) states that "Market Makers may enter bids and/or offers in the form of a two-sided quote. Only one quote may be submitted at a time for an option series." The Exchange believes that this information will provide Market Makers with information on submitting a quote. The Exchange notes that bid or offer may be a "0," however a price is required to be entered for both the bid and offer to be entered into the System. Further, the Exchange proposes at Chapter VI, Section 6(b)(4) to provide clarity for entering quotes and proposes to specify, "The System accepts quotes beginning at a time specified by the Exchange and communicated on the Exchange's website."⁴ The Exchange believes that this information will bring greater transparency to the Rulebook with respect to limitations for submitting quotations into the System.

The Exchange proposes a provision regarding firm quote within proposed Rule Chapter VI, Section 6(b)(5):

Firm Quote. When quotes in options on another market or markets are subject to relief from the firm quote requirement set forth in the SEC Quote Rule, orders and quotes will receive an automatic execution at or better than the NBBO based on the best bid

or offer in markets whose quotes are not subject to such relief. Such determination may be made by way of notification from another market that its quotes are not firm or are unreliable; administrative message from the Option Price Reporting Authority ("OPRA"); quotes received from another market designated as "not firm" using the appropriate indicator; and/or telephonic or electronic inquiry to, and verification from, another market that its quotes are not firm. The Exchange shall maintain a record of each instance in which another exchange's quotes are excluded from the Exchange's calculation of NBBO, and shall notify such other exchange that its quotes have been so excluded. Where quotes in options on another market or markets previously subject to relief from the firm quote requirement set forth in the Quote Rule are no longer subject to such relief, such quotations will be included in the calculation of NBBO for such options. Such determination may be made by way of notification from another market that its quotes are firm; administrative message from OPRA; and/or telephonic or electronic inquiry to, and verification from, another market that its quotes are firm.

NOM Chapter VII, Section 6(b)(5) describes Firm Quote for purposes of quote submission. The Exchange proposes to memorialize within its Rules the requirement for the dissemination of quotations pursuant to Reg NMS.⁵ The Exchange is proposing to add the above rule text to provide context as to this restriction for submitting quotes. The Exchange proposes to make clear the manner in which quote relief will occur. Specifically, this proposed rule text indicates the manner in which a determination for quote relief is made. Further, the rule notes the Exchange shall maintain a record of each instance in which another exchange's quotes are excluded from the Exchange's calculation of NBBO, and shall notify such other exchange that its quotes have been so excluded. Also, when relief is no longer available, such quotations will be included in the calculation of NBBO for such options. The Exchange notes how the determination is made that relief is no longer available. The proposed rule text adds greater context to the manner in which Firm Quote relief is applied. This rule text represents the current practice.

Similarly, the Exchange proposes to provide the following proposed new Chapter VI, Section 6(b)(6):

Trade-Through Compliance and Locked or Crossed Markets. A quote will not be executed at a price that trades through another market or displayed at a price that would lock or cross another market. If, at the time of entry, a quote would cause a locked or crossed market violation or would cause a trade-through, violation, it will be re-priced

to the current national best offer (for bids) or the current national best bid (for offers) and displayed at one minimum price variance above (for offers) or below (for bids) the national best price.

Today, quotations may not be executed against prices that trade-through an away market as provided for in the Options Order Protection and Locked/Crossed Market Plan which is also described within Chapter XII, Options Order Protection and Locked and Crossed Market Rules. Also, quotations may not lock or cross an away market. The repricing is provided for today within NOM Chapter VI, Section 7(b)(3)(C).⁶ By stating this limitation in the rule, Market Makers will have greater clarity as to this limitation. Further, the Exchange is making clear that a quote that would cause a locked or crossed market violation or would cause a trade-through violation will be re-priced. The Exchange would display the quote at one minimum price variation ("MPV") above (for offers) or below (for bids) the national best price. Repricing quotes is consistent with the Act because the Exchange is not permitted to lock or cross an away market's quote or order. The Exchange reprices the quotes one MPV inferior to cause the displayed price to reflect the available market on NOM.

Finally, the Exchange proposes at Chapter VI, Section 6 (b)(7) to provide, "Quotes submitted to the System are subject to the following: risk protections provided for in Chapter VI, Section 18. Quotes submitted with minimum increments that are not valid pursuant to Chapter VI, Section 5 will be rounded up to the nearest minimum price variation for offers and rounded down to the nearest minimum price variation for bids." The Exchange is noting herein the manner in which a quote may be handled by the System to provide market participants with expectations as to the interplay among the various NOM Rules. Specifically, if the Market Maker does not submit a quotation compliant with Chapter VI, Section 5, the quote will not be accepted by the System because market participants are required to abide by Chapter VI, Section 5 which describes the increments with which options series are to be quoted. Chapter VI, Section 18 provides a list of all protections applicable to quotes that may be rejected. The Exchange believes that this rule will provide Options Participants with requirements and

³ Chapter VII, Section 6(b) provides, "A Market Maker that enters a bid (offer) in a series of an option in which he is registered on NOM must enter an offer (bid)."

⁴ The system settings page is located: http://www.nasdaqtrader.com/content/technicalsupport/NOMOptions_SystemSettings.pdf.

⁵ 17 CFR 242.602.

⁶ An order that is designated by a member as non-routable will be re-priced in order to comply with applicable Trade-Through and Locked and Crossed Markets restrictions.

conditions for submitting quotations and provide transparency as to limitations that cause a quote to be rejected.

The Exchange proposes to provide at Chapter VI, Section 6(c), “Quotes will be displayed in the System as described in Chapter VI, Section 19.” Chapter VI, Section 19, titled “Data Fees and Trade Information” provides for the available feeds that Options Participants may access on the Exchange. This list represents the available data feeds and the content of those data feeds which are offered today by NOM.

The amendment to NOM Chapter VI, Section 6 create a list of all the requirements and conditions for submitting quotes on NOM within one rule is consistent with the Act because it will provide greater transparency to market participants of the applicable requirements. Further, this proposal will make the current rule clear and understandable for market participants thereby protecting investors and the general public. The Exchange notes that while some of these requirements appear in other rules, for ease of reference the requirements are located within a single rule with this proposal. The proposal reflects the Exchange’s current practice with respect to quoting requirements. This proposal will conform this Rule to other Nasdaq affiliated markets filing similar rules.⁷ The Exchange’s proposal is intended to provide greater information with respect to Firm Quote within new NOM Chapter VI, Section 6(b)(5) and regarding trade-through and locked and crossed markets Section 6(b)(6). The addition rule text is consistent with the Act because the Exchange is adding detail regarding the method in which orders which are firm or locked and crossed will be handled in the System. The notifications for Firm Quote are made clear with the proposed rule text. The Exchange believes that it is consistent with the Act to specify when quotes are firm and the handling of such quotes by the System for the protection of investors and the general public. The clarity is designed to promote just and equitable principles of trade by notifying all participants engaged in market making of potential outcomes. Today, quotations may not be executed against at prices that trade-through an away market. Also, quotations may not lock or

cross an away market. The repricing of quotations is consistent with the Act because repricing prevents the Exchange from disseminating a price which locks or crosses another market. NOM is required to avoid displaying a quotation that would lock or cross a quotation of another market center at the time it is displayed. Preventing inferior prices from displaying perfects the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest.

The Exchange proposes to delete the rule text at Chapter VI, Section 6(a)(1) and (2), which states:

(a) General—A System order is an order that is entered into the System for display and/or execution as appropriate. Such orders are executable against marketable contra-side orders in the System.

(1) All System Orders shall indicate whether they are a call or put and buy or sell and a price, if any. Systems Orders can be designated as Immediate or Cancel (“IOC”), Good-till-Cancelled (“GTC”), Day (“DAY”) or WAIT.

(2) A System order may also be designated as a Limit Order, a Minimum Quantity Order, a Market Order, a Price Improving Order, an All-or-None Order, or a Post-Only Order.

The Exchange notes that all order types listed in Chapter VI, Section 1(e) may be entered on NOM. All order types are executable against marketable contra-side orders in the System. The System will not permit an order to execute that is not marketable. NOM has described in this proposal that it would not trade-through an away market. All Time in Force designations noted in Chapter VI, Section 1(g) are available to market participants entering orders on NOM. The Exchange believes that the information provided in Chapter VI, Section 6(a)(1) and (2) is also covered within Chapter VI, Section 1 and therefore proposes to delete this rule text.

The Exchange proposes to relocate Chapter VI, Section 6(a)(3), relating to zero-bid, and 6(b), relating to routing, into Chapter VI, Section 10(5) and (6). The Exchange believes that this information should be described within the rule describing allocation. Chapter VI, Section 6(c), which is reserved, is being deleted. The Exchange proposes to relocate Chapter VI, Section 6(d), related to the NOM Options Kill Switch, to new Chapter VI, Section 22. The Exchange proposes to relocate Chapter VI, Section 6(e), related to Detection of Loss of Communication, to new Chapter VI, Section 23. The Exchange believes that these two topics should be in separate rules for ease of locating those rules. The Exchange is not proposing to amend the Kill Switch or Detection of

Loss of Communication rules; this rule change is non-substantive. The Exchange proposes to update internal cross-references.

Chapter VI, Section 7, Entry and Display Orders

The Exchange proposes to amend Chapter VI, Section 7 titled “Entry and Display Orders.” The Exchange proposes to retitle this rule, “Entry and Display of Orders.” Similar to Chapter VI, Section 6 for quotes, the Exchange proposes this new rule to describe the current requirements and conditions for entering orders. The Exchange notes that the requirements provided for within this rule represent the current practice. The purpose of Chapter VI, Section 7 is to memorialize this information within a single rule.

The Exchange proposes to amend Chapter VI, Section 7(a) to remove the title, “Entry of Orders-”. The Exchange’s new rule text at Chapter VI, Section 7(a) proposes to make clear that multiple orders may be transmitted to the System at single or multiple price levels. This is the case today. The Exchange proposes to memorialize the manner in which orders may be submitted to the System to add more detail to its rules. The Exchange proposes to amend Chapter VI, Section 7(a)(1) to remove the sentence, “Each order shall indicate the amount of Reserve Size (if applicable).” No order type on NOM has a Reserve Size.⁸ The Exchange proposes to adopt a new Chapter VI, Section 7(a)(2) which provides, “The System accepts orders beginning at a time specified by the Exchange and communicated on the Exchange’s website.”⁹ The Exchange proposes to renumber Chapter VI, Section 7(a)(2) as (a)(3). The Exchange proposes to renumber Chapter VI, Section 7(a)(3) as (a)(4) and amend the rule which provides, “Orders can be entered into the System (or previously entered orders cancelled) from the time prior to market open specified by the Exchange on its website until market close” to “Orders submitted to the System are subject to minimum increments provided for in Chapter VI, Section 5, risk protections within Chapter VI, Section 18 and the restrictions of order types within Chapter VI, Section 21(b). The Exchange is proposing to conform order entry

⁷Nasdaq Phlx, Nasdaq ISE, LLC, Nasdaq GEMX, LLC and Nasdaq MRX, LLC have similar rules. See Securities Exchange Act Release Nos. 86286 (July 2, 2019), 84 FR 32794 (July 9, 2019) (SR-Phlx-2019-25) and SR-ISE-2019-23, SR-GEMX-2019-13 and SR-MRX-2019-20. The ISE, GEMX and MRX rule changes are filed on September 17, 2019, but they are not yet published [sic].

⁸NOM no longer has any order types with non-displayed interest; previously, NOM offered Discretionary Orders and Reserve Orders on NOM, but both have been eliminated. See Securities Exchange Act Release No. 65873 (December 2, 2011), 76 FR 76786 (December 8, 2011) (SR-NASDAQ-2011-164).

⁹ See note 4 above.

rules across its Nasdaq Affiliated markets, where applicable. The Exchange proposed the time during which the System accepts orders within Chapter VI, Section 7(a)(2). All orders must adhere to other rule requirements such as minimum increments, risk protection rules and order types. Similar to the rule text for quotes, orders are currently subject the minimum increment requirements in Chapter VI, Section 5, the risk protections for orders which are listed within current Chapter VI, Section 18 as well as the restrictions of order types within Chapter VI, Section 21(b). This rule provides a list of other requirements which may impact the execution of an order. Finally, orders may execute at multiple prices. This rule provides a list of other requirements which may impact the execution of an order.

The Exchange proposes to add new rule at Chapter VI, Section 7(a)(5) which states, “Nullification by Mutual Agreement. Trades may be nullified if all parties participating in the trade agree to the nullification. In such case, one party must notify the Exchange and the Exchange promptly will disseminate the nullification to OPRA. It is considered conduct inconsistent with just and equitable principles of trade for a party to use the mutual adjustment process to circumvent any applicable Exchange rule, the Act or any of the rules and regulations thereunder.” The rule text of new Chapter VI, Section 7(a)(5) is similar to Nasdaq ISE, LLC (“ISE”), Nasdaq GEMX, LLC (“GEMX”) and Nasdaq MRX, LLC (“MRX”) Options 3, Section 4(b). Trades may be nullified today by agreement of the parties. The Exchange believes that it is consistent with the Act to permit parties to agree to a nullification provided the nullification does not violate other exchange rules. The Exchange notes that parties may not agree to a mutual agreement for purposes that would cause another rule to be violated. The Exchange believes that it is consistent with the Act and protection of investors and general public to make clear the expected behavior with respect to nullifications.

The Exchange proposes to adopt new rule text at Chapter VI, Section 7(b) is similar to rule text at to ISE, GEMX and MRX Options 3, Section 15(a). This proposed rule provides,

NBBO Price Protection. Orders, other than Intermarket Sweep Orders (as defined in Rule Chapter XII, Section 1(9)) will not be automatically executed by the System at prices inferior to the NBBO (as defined in Chapter XII, Section 1(11)). There is no NBBO price protection with respect to any

other market whose quotations are Non-Firm (as defined in Chapter XII, Section 1(12)).

The Exchange believes that although NOM Rules¹⁰ make clear that orders may not execute at prices inferior to the NBBO, this rule text will provide that limitation in this proposed list of limitations for ease of reference. The Exchange notes that this NBBO Protection applies to orders and therefore is being discussed within proposed Chapter VI, Section 7 which applies to all Options Participants. In contrast, Chapter VI, Section 6, which applies to quotes entered by Market Makers, describes the Firm Quote protections and the interplay of NBBO with respect to quotes. Trade-Through is described in both Chapter VI, Section 6 and 7.

The Exchange proposes to state at Chapter VI, Section 7(c), “The System automatically executes eligible orders using the Exchange’s displayed best bid and offer (“BBO”) or the Exchange’s non-displayed order book (“internal BBO”). The contract size associated with Displayed Price Improving Orders to buy (sell) are displayed at the MPV below (above) the price of the Price Improving Order. Price Improving Orders will not be permitted to create a locked or crossed market or to cause a trade through violation.” This rule seeks to define the Exchange’s best bid and offer as the “BBO” and distinguish the displayed book from the non-displayed book for reference. The Exchange provides that the System automatically executes eligible orders using the Exchange’s displayed best bid and offer (“BBO”). NOM also permits members to enter non-displayed orders such as Price Improving Orders.¹¹ The non-displayed orders are available on the Exchange’s order book (“internal BBO”). NOM also reprices orders to avoid locking or crossing another market as explained below. Therefore, on NOM, eligible orders will execute at the best price available, the BBO or the internal BBO. The Exchange believes that this information will provide Options Participants with additional information to how the Exchange describes its displayed and non-displayed orders.

¹⁰ Intermarket Sweep Orders (as defined in Rule Chapter XII, Section 1(9)) will not be automatically executed by the System at prices inferior to the NBBO (as defined in Chapter XII, Section 1(11)).

¹¹ NOM Rules at Chapter VI, Section 1(e)(6) states, “Price Improving Orders” are orders to buy or sell an option at a specified price at an increment smaller than the minimum price variation in the security. Price Improving Orders may be entered in increments as small as one cent. Price Improving Orders that are available for display shall be displayed at the minimum price variation in that security and shall be rounded up for sell orders and rounded down for buy orders.”

Further the proposal to add information related to NBBO Protection and define the Exchange’s best bid and offer as the “BBO” and distinguish the displayed book from the non-displayed book for reference will bring greater transparency and clarity to the Exchange’s rules. The Exchange disseminates its BBO which does not contain non-displayed information. The Exchange believes that describing the “internal BBO” will bring greater transparency to the rule as the Order Book may contain non-displayed orders which may offer better prices than the BBO. The Exchange believes describing the displayed and non-displayed order book will inform members as to availability of orders on the Order Book and protect investors and the general public by providing additional information about non-displayed order types.

The Exchange proposes to relocate current NOM Chapter VI, Section 7(b)(3)(B)¹² into Chapter VI, Section 7(c).

The Exchange proposes to provide rule text at Chapter VI, Section 7(e), similar to Chapter VI, Section 6(c) which states, “Orders will be displayed in the System as described in Chapter VI, Section 19.”

The Exchange proposes to delete current Chapter VI, Section 7(b)(1)–(3) which provides,

Display of Orders—The System will display orders submitted to the System as follows:

(1) System Book Feed—displayed orders resident in the System available for execution will be displayed via the System Book Feed.

(2) Best Priced Order Display—For each System Security, the aggregate size of all Orders at the best price to buy and sell resident in the System will be transmitted for display to the appropriate network processor.

(3) Exceptions—The following exceptions shall apply to the display parameters set forth in paragraphs (1) and (2) above:

The display of orders as well as the text relating to System Book Feed are being deleted because the data feeds are described in other rules.¹³ The Exchange believes this information is unnecessary as the data feeds are specific as to the content of the displayed information. The Exchange is also proposing to remove the rule text related to Best Priced Order Display as this information is described within Chapter XII, Options Order Protection

¹² NOM Chapter VI, Section 7(b)(3)(B) provides, “The contract size associated with Displayed Price Improving Orders to buy (sell) are displayed at the MPV below (above) the price of the Price Improving Order. Price Improving Orders will not be permitted to create a locked or crossed market or to cause a trade through violation.”

¹³ See NOM Chapter VI, Section 19, “Data Feeds and Trade Information.”

and Locked and Crossed Markets. Specifically, NOM Chapter XII, Section 1(18) which describes a Protected Bid and Offer and the manner in which they are disseminated to the OPRA Plan. The Exchange proposes to delete Chapter VI, Section 7(b)(3) as well as subsections (A) which is reserved. Current NOM Chapter VI, Section 7(b)(3) notes exceptions to the display parameters. As noted (A) is reserved and as mentioned herein (B) and (C) are relocated within Section 7.

The Exchange's proposal to adopt a new Chapter VI, Section 7, "Entry and Display of Orders" and describe the current requirements and conditions for entering orders, similar to proposed changes to Chapter VI, Section 6 for quotes is consistent with the Act because it will provide transparency as to manner in which orders may be submitted to the System. The Exchange's new rule reflects the current requirements for submitting orders into the System. Similar to proposed Chapter VI, Section 6, the Exchange proposes to memorialize requirements and limitations within one rule for ease of reference.

Chapter VI, Section 10, Book Processing

As noted above, the Exchange is relocating rule text from current Chapter VI, Section 6(a)(3) and 6(b) to Chapter VI, Section 10(5) and (6). The Exchange also proposes to renumber current Chapter VI, Section 10(5) as "(7)".

Chapter VI, Section 21, Order and Quote Protocols

The Exchange proposes to amend Chapter VI, Section 21(a)(i)(B) to add the following sentence to Specialized Quote Feed ("SQF"), "Market Makers may only enter interest into SQF in their assigned options series." The Exchange notes that today Market Makers may utilize SQF to quote only in their assigned options series.¹⁴ The Exchange proposes a similar change to QUO, a Market Maker quoting protocol, within Chapter VI, Section 21(a)(i)(D). This proposed rule text is consistent with the Act because it will add greater clarity to the current rule for the protection of investors and the public interest.

Chapter VII, Section 5, Obligations of Market Makers

The Exchange proposes to add a new Chapter VII, Section 5(d) to describe the manner in which Market Makers may enter orders on NOM. There is no rule currently describing order entry by Market Makers. The Exchange proposes to memorialize the current practice by

providing "Market Makers may enter all order types defined in Chapter VI, Section 1(e) in the options classes to which they are appointed and non-appointed." This rule will provide Market Makers with information as to the types of orders that may be entered on NOM.

Chapter VII, Section 12, Order Exposure Requirements

The Exchange proposes to amend current Chapter VII, Section 12, titled "Order Exposure Requirements." The Exchange proposes to amend the title to "Limitations on Order Entry" to conform the rule to other Nasdaq affiliate market rules.¹⁵

The Exchange proposes to add a title to Section 12(a) which states "Limitations on Principal Transactions." The Exchange also proposes to relocate Commentary .03 to the end of Section 12.

The Exchange proposes to relocate Commentary .01 to new Section 12(a)(1) and replace the reference to Section 12 with "This Rule."

The Exchange proposes to add a new Chapter VII, Section 12(b) similar to Phlx Rule 1097(b) as follows:

Limit Orders. Options Participants shall not enter Public Customer limit orders into the System in the same options series, for the account or accounts of the same or related beneficial owners, in such a manner that the beneficial owner(s) effectively is operating as a market maker by holding itself out as willing to buy and sell such options contract on a regular or continuous basis. In determining whether a beneficial owner effectively is operating as a market maker, the Exchange will consider, among other things: the simultaneous or near-simultaneous entry of limit orders to buy and sell the same options contract and the entry of multiple limit orders at different prices in the same options series.

This Rule prohibits Public Customers from entering limit orders into the Order Book in the same option series in a manner where the public customer is effectively operating as a market maker by holding itself out as willing to buy and sell such options contract on a regular or continuous basis. This rule would limit the ability of Options Participants that are not Market Makers to compete on preferential terms, including Public Customers who are provided with certain benefits, such as priority of bids and offers. Restrictions on the entry of Professional or broker-dealer orders are not imposed because the same priority does not exist. As noted herein, Market Makers are required to register with the Exchange.¹⁶

Market Makers are afforded preferential pricing.¹⁷ The Exchange believes that Public Customers that desire to make markets on NOM should register with the Exchange. The Exchange's proposal to adopt this new rule text within Chapter VII, Section 12(b) will bring greater clarity to current limitations that exist when entering orders. Section 12 is consistent with the Act and will promote just and equitable principles of trade and remove impediments to and perfect the mechanism of a free and open market and a national market system because it will continue to make clear the requirement to expose orders as well as present more specific limitations on order entry which would violate NOM Rules. Providing members with more information as to the type of behavior that is violative with respect to order exposure will prevent inadvertent violations of Exchange rules and ensure that orders are subject to appropriate price discovery.

The Exchange proposes to relocate Commentary .02 to Chapter VII, Section 12 to Section 12(c). The Exchange proposes to title this section as "Limitations on Solicitation Orders" and amend the text to conform to ISE, GEMX and MRX Options 3, Section 22. The amendments to the rule text is not substantive and simply reiterates the same exception in conformance with the language of other Nasdaq affiliated exchanges.

Finally, the Exchange proposes to relocate Commentary .04 to Chapter VII, Section 12(d) and the phrase "for purposes of violating Chapter VII, Section 12" at the end of the rule text. This phrase will make clear that the violation is specific to this rule

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,¹⁸ in general, and furthers the objectives of Section 6(b)(5) of the Act,¹⁹ 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 as provided for within the purpose section.

Chapter VI, Section 5 Minimum Increments

The Exchange's proposal to amend Chapter VI, Section 5 to add a new Section 5(c) which describes how a quote submitted to NOM with an

¹⁴ See NOM Chapter VII, Section 2.

¹⁵ See note 7 above.

¹⁶ See NOM Chapter VII, Section 2.

¹⁷ See NOM's Pricing Schedule at Options 7

¹⁸ 15 U.S.C. 78f(b).

¹⁹ 15 U.S.C. 78f(b)(5).

invalid trading increment will be re-priced is consistent with the Act because the Exchange re-prices quotes with invalid increments instead of rejecting those quotes. A Market Maker submitting a quote with an invalid increment would experience latency if the quote was rejected instead of re-priced. The Exchange believes re-pricing is consistent with the Act and protection of investors and the public interest because it will permit Market Makers, who are professional traders, to avoid a delay in re-entering quotes. Market Makers today have their quotes re-priced and have not expressed any concern with this process. By memorializing this repricing within NOM's Rules will bring transparency as to the manner in which invalid increments will be handled by the System.

Chapter VI, Section 6 Acceptance of Quotes and Orders

The Exchange's proposal to add a new section (b) to Chapter VI, Section 6 to describe the current requirements and conditions for submitting quotes is consistent with the Act. The Exchange proposes within Chapter VI, Section 6 to create a list of all the requirements and conditions for submitting quotes on NOM within one rule is consistent with the Act because it will provide greater transparency to market participants of the applicable requirements. The Exchange's proposal is intended to provide greater information with respect to Firm Quote within new Section 6(b)(5) and regarding trade-through and locked and crossed markets Section 6(b)(6).

The additional rule text is consistent with the Act because it adds detail regarding the method in which orders which are firm or locked and crossed will be handled in the System. The notifications for Firm Quote are made clear with the proposed rule text. The Exchange believes that it is consistent with the Act to specify when quotes are firm and the handling of such quotes by the System for the protection of investors and the general public. The clarity is designed to promote just and equitable principles of trade by notifying all participants engaged in market making of potential outcomes. Today, quotations may not be executed against at prices that trade-through an away market. Also, quotations may not lock or cross an away market. The repricing of quotations is consistent with the Act because repricing prevents the Exchange from disseminating a price which locks or crosses another market. NOM is required to avoid displaying a quotation that would lock or cross a

quotation of another market center at the time it is displayed. Preventing inferior prices from displaying perfects the mechanism of a free and open market and a national market system, and, in general protects investors and the public interest.

NOM is memorializing its current practice by reflecting the various requirements and limitations for quote entry in one rule for ease of reference and clarity. The Exchange proposes to conform this rule to similar rules across other Nasdaq affiliated exchanges.²⁰ Making clear the manner in which Market Makers may generate and submit option quotations will provide these market participants with clear guidance within the rules. Chapter VII, Section 6(b)(1) makes clear that Market Makers may submit quotes.²¹ Further, Chapter VI, Section 21 describes the SQF and QUO interfaces.²² NOM proposes to clarify that only one quote may be submitted at a time for a series. The Exchange believes that memorializing these restrictions will bring greater clarity to the Exchange's rules.

The relocations of both the Kill Switch and Detection of Loss of Communication rules is consistent with the Act because these relocations will bring greater transparency to these protection rules because they will be easier to search by the title within the Rulebook. The relocation of the zero-bid and routing information to Chapter VI, Section 10(5) and (6) is intended to locate that information with rules describing allocation.

The Exchange's proposal to eliminate rule text within current Chapter VI,

²⁰ See note 7 above.

²¹ Chapter VII, Section 2 describes the manner in which Market Makers must register and Section 6(c) provides for firm quote.

²² Chapter VI, Section 21(a)(i)(B) provides, "Specialized Quote Feed" or "SQF" is an interface that allows Market Makers to connect, send, and receive messages related to quotes and Immediate-or-Cancel Orders into and from the Exchange. Features include the following: (1) Options symbol directory messages (e.g. underlying instruments); (2) system event messages (e.g., start of trading hours messages and start of opening); (3) trading action messages (e.g., halts and resumes); (4) execution messages; (5) quote messages; (6) Immediate-or-Cancel Order messages; (7) risk protection triggers and purge notifications; and (8) opening imbalance messages. The SQF Purge Interface only receives and notifies of purge request from the Market Maker. Chapter VI, Section 21(a)(i)(D) provides "Quote Using Orders" or "QUO" is an interface that allows NOM Market Makers to connect, send, and receive messages related to single-sided orders to and from the Exchange. Order Features include the following: (1) Options symbol directory messages (e.g., underlying); (2) system event messages (e.g., start of trading hours messages and start of opening); (3) trading action messages (e.g., halts and resumes); (4) execution messages; (5) order messages; and (6) risk protection triggers and cancel notifications. Orders submitted by NOM Market Makers over this interface are treated as quotes.

Section 6(a)(1) and (2) is consistent with the Act because these rules describe order types in general. The order types are described today within Chapter VI, Section 1(e). All order types are executable against marketable contra-side orders in the System. All Time in Force designations noted in Chapter VI, Section 1(g) are available to market participants entering orders on NOM. The Exchange believes that the information provided in Chapter VI, Section 6(a)(1) and (2) is covered within Chapter VI, Section 1. The Exchange believes that eliminating this rule is consistent with the Act because the rule text does not add any new information.

Chapter VI, Section 7, Entry and Display Orders

Similar to Chapter VI, Section 6, which describes requirements for quotes, the Exchange proposes to adopt a new Chapter VI, Section 7, "Entry and Display of Orders" and describe the current requirements and conditions for entering orders. The Exchange notes that the requirements provided for within this rule represent the current practice. The purpose of Chapter VI, Section 7 is to memorialize this information within a single rule to provide a list of other requirements which may impact the execution of an order. Trades may be nullified today by agreement of the parties. The Exchange believes that it is consistent with the Act to permit parties to agree to a nullification provided the nullification does not violate other exchange rules. The Exchange notes that parties may not agree to a mutual agreement for purposes that would cause another rule to be violated. The Exchange believes that it is consistent with the Act and protection of investors and general public to make clear the expected behavior with respect to nullifications.

Today, orders may not be executed at a price that trades through an away market. Also, orders may not lock or cross an away market. Routable orders must comply with Trade-Through and Locked and Crossed Markets restrictions. The repricing of orders is consistent with the Act because repricing prevents the Exchange from disseminating a price which locks or crosses another market. NOM is required avoiding displaying an order that would lock or cross a quotation of another market center at the time it is displayed. Preventing inferior prices from displaying perfects the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest. The Exchange's proposal to adopt a new Chapter VI, Section 7, "Entry and

Display of Orders” and describe the current requirements and conditions for entering orders, similar to proposed changes to Chapter VI, Section 6 for quotes is consistent with the Act because it will provide transparency as to manner in which orders may be submitted to the System. The Exchange’s new rule reflects the current requirements for submitting orders into the System. Similar to proposed Chapter VI, Section 6, the Exchange proposes to memorialize requirements and limitations within one rule for ease of reference.

The Exchange’s proposal to adopt a new Chapter VI, Section 7 will conform proposed Rule to other Nasdaq affiliated markets filing similar rules.²³ The Exchange’s proposal to add rule text to describe potential violations of this rule will bring greater clarity to current limitations that exist when entering orders. Proposed Chapter VI, Section 7 is consistent with the Act because it provides one rule for ease of reference which lists the current limitations and some additional limitations. The Exchange believes the proposed rule will promote just and equitable principles of trade and remove impediments to and perfect the mechanism of a free and open market and a national market system because it will continue to make clear the requirement to expose orders as well as present more specific limitations on order entry which would violate NOM Rules. Providing members with more information as to the type of behavior that is violative with respect to order exposure will prevent inadvertent violations of Exchange rules and ensure that orders are subject to appropriate price discovery.

Chapter VI, Section 21, Order and Quote Protocols

The Exchange’s proposal to amend Chapter VI, Section 21(a)(i)(B) and (D) to make clear that Market Makers may only enter interest into SQF/QUO in their assigned options series is consistent with the Act. Chapter VII, Section 2, Market Maker Registration, describes the manner in which Market Makers are appointed in options series. This sentence simply provides that SQF/QUO may only be utilized for quoting in assigned options series.

Chapter VII, Section 5, Obligations of Market Makers

Memorializing information related to order entry for Market Makers within Chapter VII, Section 5 will bring greater clarity to the Rulebook. Today, Market

Makers may enter all order types defined in Chapter VI, Section 1(e).

Chapter VII, Section 12, Order Exposure Requirements

The Exchange’s proposal to amend Chapter VII, Section 12 to provide specific rules for limitations on entering limit orders, principal transactions and agency orders is consistent with the Act. Providing market participants with clear guidelines will protect investors and the public interest by providing additional notice of violative behavior when entering orders. The proposed rule text is similar to current Nasdaq Phlx LLC Rules.²⁴ The Exchange believes that this proposed language will provide more transparency as to the types of transactions that are not permitted today on NOM and would violate NOM Chapter III, Section 4(f). With respect to limit orders, the Exchange seeks to limit the ability of non-market makers to effectively make markets on the Exchange using automated systems that place and cancel orders in a manner that is similar to quoting. With respect to principal transactions, the Exchange is making clear that a NOM Options Participant may not take both sides of a trade (the agency side and also act as principal) on an execution without order exposure to provide the agency order the opportunity for price improvement. This rule is intended to ensure that customers receive fair executions. This rule is consistent with the Act in that it promotes just and equitable principles of trade and protects investors and the public interest. The Exchange’s proposal to describe exposure of agency orders mirrors language already contained with Chapter VI, Section 12. The Exchange also notes that current Chapter III, Section 4(f) would apply to the types of violations noted with respect to new Chapter VII, Section 12 provisions.

The Exchange’s proposal to add additional rule text to proposed new Chapter VII, Section 12(d) will make clear that a Options Participant cannot inform another Options Participant or any other third party of any of the terms of the order in violation of Chapter VII, Section 12 will bring greater transparency to the Exchange’s Rule.

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 notes that other options markets have similar rules with respect to order and quote entry and the requirements to expose orders. The implementation of such rules may vary across options markets. Despite the variation in implementation, the Exchange does not believe this proposal creates an undue burden on inter-market competition because the requirements for order exposure are consistent with respect to all markets as well as the ability to submit quotes and orders on all options markets.

Chapter VI, Section 5 Minimum Increments

The Exchange’s proposal to amend Chapter VI, Section 5 to add a new Section 5(c) which describes how a quote submitted to NOM with an invalid trading increment will be repriced does not impose an undue burden on competition because this repricing applies uniformly to all Market Makers. The Exchange believes that providing this transparency within the Exchange’s rules will provide market participants with greater information on the manner in which invalid increments will be handled by the System.

Chapter VI, Section 6 Acceptance of Quotes and Orders

The Exchange’s proposal to describe the current requirements and conditions for submitting quotes does not impose an undue burden on competition and all Market Makers are subject to these requirements today. The Exchange is memorializing its current practice by reflecting the various requirements and limitations for quote entry in one rule for ease of reference and clarity. The Exchange is also proposing to conform this rule to similar rules across other Nasdaq affiliated exchanges.

Chapter VI, Section 7, Entry and Display Orders

The Exchange’s proposal to amend Chapter VI, Section 7, “Entry and Display Orders” to describe the current requirements and conditions for entering orders, similar to proposed changes to Chapter VI, Section 6 for quotes does not create an undue burden on competition because it will apply uniformly to all market participants. The Exchange is memorializing its current practice by reflecting the various requirements and limitations for order entry in one rule for ease of reference and clarity. The Exchange is also proposing to conform this rule to similar rules across other Nasdaq affiliated exchanges. Making clear the manner in which Options Participants may generate and submit option orders will

²³ See note 7 above.

²⁴ See Nasdaq Phlx LLC Rule 1080(c)(ii)(C)(1) and (2) and 1080(j).

provide these market participants with clear guidance within the rules.

Chapter VI, Section 21, Order and Quote Protocols

The Exchange proposes to amend Chapter VI, Section 21(a)(i)(B) and (C) to make clear that Market Makers may only enter interest into SQF/QUO in their assigned options series does not impose an undue burden on competition, rather it makes clear that SQF/QUO may only be utilized for quoting in assigned options series. This rule is applicable to all Market Makers.

Chapter VII, Section 5, Obligations of Market Makers

Memorializing information related to order entry for Market Makers within Chapter VII, Section 5 does not impose an undue burden on competition. Today, Market Makers may enter all order types defined in Chapter VI, Section 1(e).

Chapter VII, Section 12, Order Exposure Requirements

The Exchange's proposal to amend Chapter VII, Section 12 to provide specific rules for limitations on entering limit orders, principal transactions and agency orders does not impose an undue burden on competition because these rules provide additional specificity as to the manner in which orders may be entered on NOM. The Exchange believes that this proposed language will provide more transparency as to the types of transactions that are not permitted today on NOM and would violate NOM Chapter III, Section 4(f). These rules will apply uniformly to all NOM Options Participants.

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: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) 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)(iii) of the Act²⁵ and

subparagraph (f)(6) of Rule 19b-4 thereunder.²⁶

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-NASDAQ-2019-082 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-NASDAQ-2019-082. 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 website (<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 website viewing and printing in the Commission's Public

²⁵ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

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. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NASDAQ-2019-082 and should be submitted on or before November 6, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁷

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2019-22482 Filed 10-15-19; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-87258; File No. SR-FICC-2019-004]

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Order Approving a Proposed Rule Change To Amend the GSD Rulebook To Establish a Process To Address Liquidity Needs in Certain Situations in the GCF Repo and CCIT Services and Make Other Changes

October 9, 2019.

On August 9, 2019, Fixed Income Clearing Corporation ("FICC") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² proposed rule change SR-FICC-2019-004 to make changes to how FICC processes tri-party repo market transactions, specifically GCF Repo transactions and CCIT transactions.³ The proposed rule change

²⁷ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ On August 9, 2019, FICC also filed the proposal contained in the proposed rule change as advance notice SR-FICC-2019-801 with the Commission pursuant to Section 806(e)(1) of the Dodd-Frank Wall Street Reform and Consumer Protection Act entitled the Payment, Clearing, and Settlement Supervision Act of 2010 ("Clearing Supervision Act"), 12 U.S.C. 5465(e)(1), and Rule 19b-4(n)(1)(i) of the Act, 17 CFR 240.19b-4(n)(1)(i). Notice of Filing of the Advance Notice was published for comment in the **Federal Register** on September 10, 2019. Securities Exchange Act Release No. 34-86876 (September 5, 2019), 84 FR 47618 (September 10, 2019) (File No. SR-FICC-2019-801).

²⁵ 15 U.S.C. 78s(b)(3)(A)(iii).

was published for comment in the **Federal Register** on August 29, 2019,⁴ and the Commission has received no comments regarding the changes proposed in the proposed rule change.⁵ For the reasons discussed below, the Commission is approving the proposed rule change.

I. Description of the Proposed Rule Change

The proposals reflected in the proposed rule change would make changes to how FICC's Government Securities Division ("GSD") processes tri-party repo transactions, specifically GCF Repo transactions⁶ and CCIT transactions.⁷ First, the proposals would establish new deadlines and associated late fees for FICC members to satisfy their obligations in connection with such transactions, *i.e.*, to deliver cash or securities. Second, the proposed rule change would establish a process for FICC to access liquidity in situations where a member with a net cash delivery obligation in GCF Repo/CCIT activity, that is otherwise in good standing,⁸ is either (1) delayed in satisfying its cash delivery obligation or (2) unable to satisfy, in whole or in part, such obligation. More specifically, this process would allow FICC to access liquidity from either (i) the GCF Clearing Agent Bank⁹ in the form of

overnight financing, which would be subject to the GCF Clearing Agent Bank's discretion, and/or (ii) end-of-day borrowing of Clearing Fund cash,¹⁰ subject to specified limits. Further, if those liquidity sources are insufficient to cover the affected member's outstanding cash delivery obligations, the proposal would enable FICC to obtain additional liquidity by entering into overnight repos with those members to whom cash is owed by the member with the unsatisfied net cash delivery obligations. Third, the proposed rule change would make a clarification and several technical changes and corrections to FICC's rules.¹¹

A. *New Deadlines and Late Fees for Satisfaction of Obligations in GCF Repo and CCIT Transactions*

1. *Securities Delivery Obligations*

Under FICC's current Rules, a Netting Member must meet its securities delivery obligations in connection with its GCF Repo and/or CCIT transactions within the timeframes established by FICC.¹² Currently, FICC has set two deadlines by which Netting Members are required to meet their securities delivery obligations: 4:30 p.m. and 6:00 p.m.¹³ If a Netting Member fails to satisfy a securities delivery obligation by 4:30 p.m., it is subject to a late fee of \$500.¹⁴ If the Netting Member delivers the securities after the 6:00 p.m. deadline, no additional late fee applies, but FICC cannot guarantee that it would be able to settle the transaction. Instead, FICC will only process such late transactions if FICC is able to contact both affected Netting Members and they agree to settle the transaction.

In the proposed rule change, FICC proposes to eliminate the 6:00 p.m. deadline. The 4:30 p.m. deadline would remain in place. If a Netting Member fails to satisfy a securities delivery obligation by 4:30 p.m., it would remain subject to the \$500 late fee. But if the Netting Member delivers the securities

after 4:30 p.m., FICC would only process the transaction if it is able to contact both affected Netting Members and they agree to settle the transaction.

2. *Cash Delivery Obligations*

FICC's Rules do not currently contain a deadline for a Netting Member's or CCIT Member's satisfaction of cash delivery obligations in the GCF Repo and CCIT Services. FICC proposes to establish 4:30 p.m., or, if later, one hour after the close of the Fedwire Securities Service reversals, as the deadline for a "Net Funds Payor"¹⁵ to satisfy its cash delivery obligations. FICC also proposes to establish late fees, subject to progressive increases. Specifically, the late fees would apply as follows for occurrences within the same 30 calendar day period: (a) \$500 for the first occurrence, (b) \$1,000 for the second occurrence, (c) \$2,000 for the third occurrence, and (d) \$3,000 for the fourth occurrence or additional occurrences. The late fee would not apply if FICC determines that failure to meet this timeframe is not the fault of the Net Funds Payor.¹⁶

In addition, FICC proposes to establish additional late fees that would be imposed on Net Funds Payors that fail to meet their cash delivery obligation by the close of the Fedwire Funds Service.¹⁷ These fees would be in addition to the late fees described in the preceding paragraph, and FICC would impose both fees in the event that a Net Funds Payor did not satisfy its cash delivery obligations by the close of the Fedwire Funds Service. Specifically, these late fees would apply as follows for occurrences within the same 90 calendar day period: (a) 100 basis points on the unsatisfied cash delivery obligation amount for the first occurrence,¹⁸ (b) 200 basis points on the unsatisfied cash delivery obligation amount for the second occurrence, (c) 300 basis points on the unsatisfied cash delivery obligation amount for the third

⁴ Securities Exchange Act Release No. 86745 (August 23, 2019), 84 FR 45608 (August 29, 2019). ("Notice of Filing").

⁵ As the proposal contained in the proposed rule change was also filed as an advance notice, all public comments received on the proposal are considered regardless of whether the comments are submitted on the proposed rule change or the advance notice.

⁶ "GCF Repo transactions" are tri-party repo transactions through FICC's general collateral finance repo ("GCF Repo") service ("GCF Repo Service"). The GCF Repo Service enables dealers to trade general collateral repos, based on rate, term, and underlying product, throughout the day without requiring intra-day, trade-for-trade settlement on a Delivery-versus-Payment basis. See generally GCF Repo (DTCC description of the service), available at <http://www.dtcc.com/clearing-services/ficc-gov/gcf-repo> (last visited August 13, 2019).

⁷ "CCIT" means Centrally Cleared Institutional Triparty. "CCIT transactions" are tri-party repo transactions in GCF Repo securities between members that participate in the GCF Repo Service and CCIT members, which are institutional counterparties (other than registered investment companies ("RICs") under the Investment Company Act of 1940, as amended) and are the cash lenders in the transactions. See generally Securities Exchange Act Release No. 80361 (April 3, 2017), 82 FR 17053, 17054 (April 7, 2017) (SR-FICC-2017-803) (notice of filing of the advance notice regarding creating the CCIT service).

⁸ A member in good standing is a member for which FICC has not ceased to act for the member (in which case FICC's close-out rules would apply) or has not restricted the member's access to services.

⁹ The GCF Clearing Agent Bank settles the repo transaction on its books. Currently, the only GCF

Clearing Agent Bank is The Bank of New York Mellon.

¹⁰ The Clearing Fund is an aggregate of all members' margin deposits to FICC designed to account for the costs associated with a member defaulting to FICC.

¹¹ The FICC GSD Rulebook ("Rules") is available at <http://www.dtcc.com/legal/rules-and-procedures>. Capitalized terms not defined herein are defined in the Rules.

¹² Rule 20, Section 3, *supra* note 11.

¹³ The close of the Fedwire Funds Service at 6:30 p.m. is the final cutoff point at which a Netting Member's failure to deliver securities would be deemed by FICC to result in a failed transaction. In that scenario, the Netting Member would not be entitled to receive the funds borrowed, and would instead owe interest on the funds.

¹⁴ Fee Structure, *supra* note 11.

¹⁵ FICC's proposal would add "Net Funds Payor" as a new defined term, meaning a Netting Member or CCIT Member with cash delivery obligations.

¹⁶ This determination would be made by FICC Product Management based on input from the GCF Clearing Agent Bank, internal FICC Operations staff and the Netting Member.

¹⁷ See Fedwire Services Operating Hours, available at <https://www.frb-services.org/resources/financial-services/wires/operating-hours.html> (last visited September 2, 2019).

¹⁸ The late fee is based on the ACT/360 day count convention, where "ACT" represents the actual number of days in the period. For example, assuming a first occurrence unsatisfied cash delivery obligation of \$100 million, the late fee would be \$100 million * 100/3600000 = \$2,777.78. This example uses the first occurrence amount. This calculation would apply to the rest of the proposed late fees in this section.

occurrence, and (d) 400 basis points on the unsatisfied cash delivery obligation amount for the fourth occurrence or any additional occurrences. The late fees would not apply if FICC determines that the failure to meet this timeframe is not primarily the fault of the Net Funds Payor.¹⁹

B. Proposed Process To Provide Liquidity

The proposed rule change would establish a process for FICC to access liquidity in situations where a Member with a net cash delivery obligation in GCF Repo/CCIT activity (*i.e.*, Net Funds Payor), that is otherwise in good standing, is either (1) delayed in satisfying its cash delivery obligation or (2) unable to satisfy, in whole or in part, such obligation.²⁰ Unless FICC has ceased to act for the Member (in which case FICC's close-out rules would apply) or has restricted the Member's access to services,²¹ the Net Funds Payor shall be permitted to continue to submit additional tri-party repo transactions for clearing to FICC during this process.

Pursuant to the proposal, once FICC determines that a Net Funds Payor is in good standing with GSD but is experiencing an issue, such as an operational issue, that may result in a late payment, partial payment or non-payment of its cash delivery obligation on the settlement date, the following process would occur. First, in the case where the Net Funds Payor only satisfies part of its cash delivery obligation, the GCF Clearing Agent Bank would settle the cash it received

¹⁹ The determination would be made by FICC Product Management based on input from the GCF Clearing Agent Bank, internal FICC Operations staff and the Netting Member.

²⁰ Such delay could, for example, be due to operational issues experienced by the Net Funds Payor. If a Netting Member with a collateral obligation does not deliver its securities, FICC considers it a fail. However, if a Netting Member or CCIT Member with a cash delivery obligation is unable to deliver its cash (and is in good standing), FICC has represented that it intends to employ the proposed process. Notice of Filing, *supra* note 4 at 47620.

²¹ See Rule 22A, *supra* note 11. FICC has represented that, before it uses the proposed process, it would first evaluate whether to recommend to the Board's Risk Committee that FICC cease to act for such Net Funds Payor. FICC would consider, but would not be limited to, the following factors in its evaluation: (i) The Net Funds Payor's current financial position, (ii) the amount of the outstanding payment, (iii) the cause of the late payment, (iv) current market conditions, and (v) the size of the potential overnight reverse repurchase agreements under the GCF Repo Allocation Waterfall MRAs (as defined below) on the GSD membership. Notice of Filing, *supra* note 4 at 47620. FICC already has the authority to cease to act for a member that does not fulfill an obligation to FICC and will continually evaluate throughout the proposed process whether FICC will cease to act. *Id.*

pursuant to such GCF Clearing Agent Bank's settlement algorithm (as is done today).

Next, FICC would consider whether it would seek liquidity to cover any of the Net Funds Payor's delivery shortfall amounts in one of the two forms discussed. The two potential forms of liquidity would be (i) end-of-day borrowing of Clearing Fund cash ("EOD Clearing Fund Cash") and/or (ii) GCF Clearing Agent Bank loans.²² The cash amount that FICC would be able to access via the EOD Clearing Fund Cash and/or GCF Clearing Agent Bank loans would then be applied to the unsatisfied cash delivery obligations due to the Net Funds Receivers on a pro rata basis, based upon the percentage due to each Net Fund Receiver out of the total amount of all unsatisfied obligations.

If FICC were to use GCF Clearing Agent Bank loans to provide liquidity, any overnight financing from the GCF Clearing Agent Bank would be subject to the GCF Clearing Agent Bank's discretion because FICC's overnight financing arrangements with its GCF Clearing Agent Bank are uncommitted. As such, the financing would be secured by FICC's pledge of Clearing Fund securities subject to the GCF Clearing Agent Bank's current haircut schedule.²³ If FICC were to use EOD Clearing Fund Cash to provide liquidity, such use would be subject to certain internal limitations. Specifically, GSD would establish a cap on the amount of EOD Clearing Fund Cash that may be used for this purpose to the lesser of \$1 billion or 20 percent of available Clearing Fund Cash. Any resulting costs incurred by FICC in accessing EOD Clearing Fund Cash and/or GCF Clearing Agent Bank loans would be debited from the Net Funds Payor whose shortfall caused the liquidity need.

Finally, to the extent that the amount of liquidity FICC obtains via the Clearing Fund cash and overnight financing arrangement (if any) is insufficient to cover the outstanding cash delivery obligations, the relevant Net Funds Receivers would be required under FICC's Rules to enter into overnight repurchase agreements with

²² FICC has represented that it would not prioritize accessing these two sources of potential liquidity because FICC's decision to use either or both sources would be considered on a case-by-case basis, taking into consideration factors such as the specific circumstances at issue (*i.e.*, the time of day and the size of the shortfall), availability of a bank loan, market conditions (*i.e.*, whether there are stress events occurring in the market), commercial considerations (*i.e.*, the current loan rates), and ease of operational execution. Notice of Filing, *supra* note 4 at 47620.

²³ See Rule 4, Section 5, *supra* note 11.

FICC on the Generic CUSIP Number for which such Net Funds Payor failed to fulfill its cash delivery obligation. This arrangement would be done pursuant to the "GCF Repo Allocation Waterfall MRA," which is a committed financing arrangement that would be added as part of this proposal to the binding terms of FICC's rulebook.²⁴ The amount FICC would seek to obtain via this committed facility would be the remaining unsettled amount per Net Funds Receiver, thus satisfying the outstanding amount of the Net Funds Payor's cash delivery obligations.²⁵ The associated overnight interest of the reverse repurchase agreement would be debited from the Net Funds Payor that did not satisfy its cash delivery obligation and credited to the affected Net Funds Receivers in the funds-only settlement process as a Miscellaneous Adjustment Amount.²⁶

Any resulting costs, such as financing costs, incurred by the Net Funds Receivers would be debited from the Net Funds Payor whose shortfall caused the need for the reverse repurchase agreement. A Net Funds Receiver requesting compensation in this regard would need to submit a formal claim to FICC. Upon review and approval by FICC, the Net Funds Receiver would receive a credit that would be processed in the funds-only settlement process as a Miscellaneous Adjustment Amount.²⁷ The debit of the Net Funds Payor would be processed in the same way.

C. Clarification, Technical Changes and Corrections

FICC also proposes to make certain clarifying, technical changes, and corrections both to reflect the changes proposed in this proposed rule change and to revise certain aspects of the Rules that FICC has determined to be inaccurate or incorrect as related to the GCF Repo Service. These changes include adding particular parentheticals, changes to titles of sections, corrections to refer to the title of the Fedwire Securities Service, updating references and descriptions, adding new defined terms, and updating

²⁴ Such reverse repurchase agreements would be entered into pursuant to the terms of a 1996 SIFMA Master Repurchase Agreement (*available at* <http://www.sifma.org/services/standard-forms-and-documentation/mra,-gmra,-msla-and-msftas/>), which would be incorporated into the Rules, subject to specific changes set forth in the Rules.

²⁵ FICC represents that these reverse repurchase agreements would be at a market rate, which would be the overnight par weighted average rate at the Generic CUSIP Number level. Notice of Filing, *supra* note 4 at 47621.

²⁶ See Rule 13, Section 1(m) and Rule 3B, Section 13(a)(ii), *supra* note 11.

²⁷ *Id.*

certain defined terms. These changes are described in detail in the Notice of Filing.²⁸

II. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act²⁹ directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Act and rules and regulations thereunder applicable to such organization. After carefully considering the proposed rule change, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to FICC. In particular, the Commission finds that the proposed rule change is consistent with Section 17A(b)(3)(F)³⁰ of the Act and Rule 17Ad-22(e)(7) thereunder.³¹

A. Consistency With Section 17A(b)(3)(F)

Section 17A(b)(3)(F) of the Act requires, in part, that the rules of a clearing agency, such as FICC, be designed to promote the prompt and accurate clearance and settlement of securities transactions.³²

1. New Deadlines and Late Fees for Satisfaction of Obligations in GCF Repo and CCIT Transactions

FICC has represented that Netting Members generally meet their securities delivery obligations by the current 4:30 p.m. securities allocation deadline. However, according to FICC, because of the interconnectivity between the GCF Repo market within FICC and the tri-party repo market outside of FICC, in which obligations to deliver securities collateral typically occur after collateral allocations at FICC, the securities collateral that is used to settle GCF Repo positions may subsequently be used by Netting Members to complete tri-party repo transactions. Therefore, settling GCF Repo Service transactions earlier in the day reduces the likelihood that an operational issue may result in a failed or incomplete tri-party repo transaction outside of FICC. When a Netting Member depends on the proceeds from the GCF Repo Service transaction to satisfy its cash obligations in its tri-party repo transactions outside of FICC, the Netting Member could default on its

obligations and transmit losses to other market participants.

The Commission believes that the proposed new deadlines (*i.e.*, 4:30 p.m. for securities delivery obligations, and 4:30 p.m., or one hour after the close of the Fedwire Securities Service, whichever is later, for cash delivery obligations), as well as the associated late fees, should lower the potential operational risk that could arise from delayed GCF Repo settlements and should help FICC manage the risk of delayed settlement. The Commission believes that these measures should incentivize Netting Members and CCIT Members to meet their cash delivery obligations on a timely basis, which, in turn, should help FICC reduce its overall settlement risk. As such, the Commission believes that the proposed deadlines and late fees would be consistent with promoting the prompt and accurate clearance and settlement of securities transactions as required under Section 17A(b)(3)(F) of the Act.³³

2. Proposed Process To Provide Liquidity

As described in Section I.B above, the proposed rule change would also establish a process for FICC to access liquidity in situations where a Member with a cash delivery obligation in GCF Repo/CCIT activity, that is otherwise in good standing, is either (1) delayed in satisfying its cash delivery obligation or (2) unable to satisfy, in whole or in part, such obligation. The Commission believes that establishing a process for FICC to access liquidity in these particular circumstances is designed to provide FICC with additional sources of liquidity and, therefore, an improved ability to manage its liquidity risk in the event that a Netting Member cannot meet its cash delivery obligations. In addition, the proposed process for FICC to access liquidity in these particular circumstances should help decrease the risk of unsettled obligations and belated settlement due to a lack of liquidity and, therefore, avoid the potential impact that a sudden liquidity demand could have on FICC and its Members. As such, the proposed rule change should help ensure that, in the event of these particular circumstances, FICC's operations would not be disrupted and Clearing Members would not be exposed to losses that they cannot anticipate or control because FICC would be able to access additional liquidity resources to complete settlement. As such, the Commission believes that these changes should promote the prompt and accurate

clearance and settlement of securities transactions, consistent with Section 17A(b)(3)(F) of the Act.³⁴

3. Clarification, Technical Changes and Corrections

As described in Section I.C above, the proposed rule change also includes certain clarifications, technical changes, and corrections to FICC's Rules both to reflect the changes proposed in this proposed rule change and to revise certain aspects of the Rules that FICC has determined to be inaccurate or incorrect as related to the GCF Repo Service. The proposed changes are designed to provide clear and coherent Rules regarding GCF Repo transactions for Netting Members and CCIT Members, which should, in turn, help Netting Members and CCIT Members better understand and remain compliant with the Rules. As such, the Commission believes that the proposed clarifications, technical changes, and corrections to FICC's Rules would promote the prompt and accurate clearance and settlement of securities transactions, consistent with Section 17A(b)(3)(F) of the Act.³⁵

B. Consistency With Rule 17Ad-22(e)(7)(i)

Rule 17Ad-22(e)(7) requires that a covered clearing agency establish, implement, maintain, and enforce written policies and procedures reasonably designed to effectively measure, monitor, and manage the liquidity risk that arises in or is borne by the covered clearing agency, including measuring, monitoring, and managing its settlement and funding flows on an ongoing and timely basis, and its use of intraday liquidity. Specifically, Rule 17Ad-22(e)(7)(i) requires policies and procedures for maintaining sufficient liquid resources at the minimum in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of foreseeable stress scenarios that includes, but is not limited to, the default of the participant family that would generate the largest aggregate payment obligation for the covered clearing agency in extreme but plausible market conditions.³⁶

As described above, the proposed process for FICC to access liquidity in the event that Netting Members will be delayed in satisfying or cannot satisfy

²⁸ Notice of Filing, *supra* note 4 at 47622.

²⁹ 15 U.S.C. 78s(b)(2)(C).

³⁰ 15 U.S.C. 78q-1(b)(3)(F).

³¹ 17 CFR 240.17Ad-22(e)(7).

³² 15 U.S.C. 78q-1(b)(3)(F).

³³ *Id.*

³⁴ *Id.*

³⁵ *Id.*

³⁶ 17 CFR 240.17Ad-22(e)(7)(i).

their cash delivery obligations is designed to help ensure that FICC has sufficient liquid resources available in such circumstances. Moreover, for any outstanding liquidity obligations after the utilization of EOD Clearing Fund cash and/or overnight financing with the GCF Clearing Agent Bank, any transactions pursuant to the GCF Repo Allocation Waterfall MRA would be sized based on the actual liquidity need presented in a particular situation, which would help FICC maintain sufficient liquid resources to settle the cash delivery obligations of a Netting Member. Therefore, the Commission believes that adoption of the proposed changes is consistent with Rule 17Ad-22(e)(7)(i).³⁷

C. Consistency With Rule 17Ad-22(e)(7)(ii)

Rule 17Ad-22(e)(7)(ii) requires policies and procedures for holding qualifying liquid resources sufficient to meet the minimum liquidity resource requirement under 17Ad-22(e)(7)(i) in each relevant currency for which the covered clearing agency has payment obligations owed to clearing members.³⁸ Rule 17Ad-22(a)(14) defines qualifying liquid resources to include, among other things, assets that are readily available and convertible into cash through prearranged funding arrangements, such as committed arrangements without material adverse change provisions, including repurchase agreements.³⁹

As described above, the proposed process for FICC to access liquidity in the event that Netting Members will be delayed in satisfying or cannot satisfy their cash delivery obligations includes, in part, the GCF Repo Allocation Waterfall MRA. This agreement would be a committed arrangement that is a repurchase agreement and all transactions entered into pursuant to the GCF Repo Allocation Waterfall MRA are designed to be readily available to meet the cash delivery obligations owed to Netting Members. This arrangement therefore constitutes a qualifying liquid resource, as defined in Rule 17Ad-22(a)(14), and the Commission believes, therefore, that adoption of the proposed changes is consistent with Rule 17Ad-22(e)(7)(ii).⁴⁰

D. Consistency With Rule 17Ad-22(e)(7)(viii)

Rule 17Ad-22(e)(7)(viii) requires that a covered clearing agency establish, implement, maintain, and enforce

written policies and procedures reasonably designed to effectively measure, monitor, and manage the liquidity risk that arises in or is borne by the covered clearing agency, including measuring, monitoring, and managing its settlement and funding flows on an ongoing and timely basis, and its use of intraday liquidity by, at a minimum, addressing foreseeable liquidity shortfalls that would not be covered by the covered clearing agency's liquid resources and seek to avoid unwinding, revoking, or delaying the same-day settlement of payment obligations.⁴¹

The proposed process for FICC to access liquidity when Netting Members are delayed in satisfying or cannot satisfy their cash delivery obligations provides FICC with a process to address liquidity shortfalls which may arise in such circumstances and allow FICC to complete settlement on a timely basis. Therefore, this proposed process should help to avoid unwinding, revoking, or delaying same-day settlement obligations. The Commission believes, therefore, that adoption of the proposed changes are consistent with Rule 17Ad-22(e)(7)(viii).⁴²

III. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act⁴³ and the rules and regulations promulgated thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act⁴⁴ that proposed rule change SR-FICC-2019-004, be, and hereby is, *Approved*.⁴⁵

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁴⁶

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2019-22480 Filed 10-15-19; 8:45 am]

BILLING CODE 8011-01-P

⁴¹ 17 CFR 240.17Ad-22(e)(7)(viii).

⁴² *Id.*

⁴³ 15 U.S.C. 78q-1.

⁴⁴ 15 U.S.C. 78s(b)(2).

⁴⁵ In approving the proposed rule change, the Commission considered the proposals' impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁴⁶ 17 CFR 200.30-3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-87265; File No. SR-CBOE-2019-083]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating To Amend Its Financial Incentive Programs for Global Trading Hours Lead Market-Makers

October 9, 2019.

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 2, 2019, Cboe Exchange, Inc. (the "Exchange" or "Cboe Options") 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

Cboe Exchange, Inc. (the "Exchange" or "Cboe Options") proposes to amend its financial incentive programs for Global Trading Hours Lead Market-Makers. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website (<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.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³⁷ *Id.*

³⁸ 17 CFR 240.17Ad-22(e)(7)(ii).

³⁹ 17 CFR 240.17Ad-22(a)(14).

⁴⁰ 17 CFR 240.17Ad-22(e)(7)(ii).

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

In 2016, the Exchange's parent company, Cboe Global Markets, Inc. (formerly named CBOE Holdings, Inc.) ("Cboe Global"), which is also the parent company of Cboe C2 Exchange, Inc. ("C2"), acquired Cboe EDGA Exchange, Inc. ("EDGA"), Cboe EDGX Exchange, Inc. ("EDGX" or "EDGX Options"), Cboe BZX Exchange, Inc. ("BZX" or "BZX Options"), and Cboe BYX Exchange, Inc. ("BYX" and, together with Cboe Options, C2, EDGX, EDGA, and BZX, the "Cboe Affiliated Exchanges"). Cboe Options intends to migrate its trading platform to the same system used by the Cboe Affiliated Exchanges, and also migrate its current billing system to a new billing system, on October 7, 2019 (the "migration"). As part of the migration to the new billing system, the Exchange is seeking to simplify and harmonize certain programs and billing processes, including its financial incentive programs for Lead Market-Makers ("LMMs") in VIX and SPX (including SPXW) during Global Trading Hours ("GTH"). Accordingly, the Exchange proposes to amend its GTH LMM financial programs, effective October 1, 2019.

Background

By way of background, pursuant to Footnote 38 of the Fees Schedule, a LMM in SPX will receive a rebate for that month in the amount of a pro-rata share of a compensation pool equal to \$30,000 times the number of LMMs in that class (or pro-rated amount if an appointment begins after the first trading day of the month or ends prior

to the last trading day of the month) if the LMM: (1) Provides continuous electronic quotes in at least the lesser of 99% of the non-adjusted series or 100% of the non-adjusted series minus one call-put pair in an GTH allocated class (excluding intraday add-on series on the day during which such series are added for trading) during GTH in a given month; (2) enters opening quotes within five minutes of the initiation of an opening rotation in any series that is not open due to the lack of a quote, provided that the LMM will not be required to enter opening quotes in more than the same percentage of series set forth in clause (1) for at least 90% of the trading days during GTH in a given month; and (3) satisfies the following time-weighted average quote widths and bid/ask sizes for each money category: (A) Out of the money options ("OTM"), average quote width of \$0.90 or less and average bid/ask size of 15 contracts or greater; (B) at the money options ("ATM"), average quote width of \$3.00 or less and bid/ask size of 10 contracts or greater; and (C) in the money options ("ITM"), average quote width of \$10.00 or less and bid/ask size of 5 contracts or greater.

Also pursuant to Footnote 38 of the Fees Schedule, a LMM in VIX options during GTH will receive a rebate for that month in the amount of a pro-rata share of a compensation pool equal to \$20,000 times the number of LMMs in that class (or pro-rated if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month) if the LMM: (1) Provides continuous electronic quotes in at least the lesser of 99% of the non-adjusted series or 100% of the non-adjusted series minus one call-put pair in an GTH allocated class (excluding intraday add-on series on the day during which such series are added for trading)

and (2) enters opening quotes within five minutes of the initiation of an opening rotation in any series that is not open due to the lack of a quote, provided that the LMM will not be required to enter opening quotes in more than the same percentage of series set forth in clause (1) for at least 90% of the trading days during GTH in a given month.

GTH LMMs are not currently obligated to satisfy the heightened quoting standards described in the Fees Schedule. Rather, the LMMs are eligible to receive a rebate if they satisfy the heightened standards, which the Exchange believes encourage LMMs to provide liquidity during GTH. Additionally, the Exchange may consider other exceptions to this quoting standard based on demonstrated legal or regulatory requirements or other mitigating circumstances.

Proposed Change

The Exchange now wishes to simplify its billing processes and harmonize its LMM incentive programs. To that end, the Exchange proposes to eliminate Footnote [sic] amend the above-mentioned incentive programs to align with the heightened quoting standard format currently required under the MSCI LMM Program.³ By way of background, any Market-Maker that is appointed as a LMM in MSCI EAFE Index ("MXEA") options and/or MSCI Emerging Markets Index ("MXEF") ("MSCI LMM") and meets the heightened quoting standard described below, receives \$20,000 per month/per product.⁴ Specifically, the LMM will receive the \$20,000 per month/per class if it provides continuous electronic quotes that meet or exceed the following heightened quoting standards in at least 90% of the MXEA and/or MXEF series 80% of the time in a given month:

Premium Level	Expiring		Near term		Mid term		Long term	
	7 days or less		8 days to 60 days		61 days to 270 days		271 days or greater	
	Width	Size	Width	Size	Width	Size	Width	Size
\$0-\$5.00	\$3.00	5	\$1.50	20	\$2.50	15	\$5.00	10
\$5.01-\$15.00	6.00	3	3.00	15	5.00	10	10.00	7
\$15.01-\$50.00	15.00	2	7.50	10	10.00	7	20.00	5
\$50.01-\$100.00	25.00	1	15.00	7	20.00	5	30.00	3
\$100.01-\$200.00	40.00	1	25.00	3	35.00	3	48.00	2
Greater Than \$200.01	60.00	1	40.00	1	50.00	1	72.00	1

The Exchange may also consider other exceptions to this quoting standard

based on demonstrated legal or regulatory requirements or other

mitigating circumstances. Like GTH LMMs, for purposes of the financial

³In amending the programs, the Exchange proposes to eliminate Footnote 38 in its entirety and replace it with separate tables describing the

GTH SPX LMM program and the GTH VIX LMM program.

⁴MSCI LMMs serve as MSCI LMMs during the RTH session only.

benefit, MSCI LMM(s) are not be obligated to satisfy the heightened quoting standard shown above. Rather, the MSCI LMM(s) only receive the financial benefit if they satisfy the abovementioned heightened quoting standard. If a MSCI LMM does not meet the heightened quoting standard, then it simply will not receive the financial benefit for that month. Additionally, MSCI LMM(s), like GTH LMMs must still comply with the continuous quoting obligation and other obligations of Market-Makers and LMMs described in Cboe Options Rules.⁵

The Exchange first proposes to amend the GTH SPX LMM program. First, the Exchange proposes to separate the available rebate and quoting standard for SPX and SPXW. More specifically, the Exchange proposes to provide that if the LMM meets the heightened quoting standard described below for SPX, the LMM will receive a pro-rata share of a compensation pool for SPX equal to 15,000 times the number of LMMs appointment in SPX and if the LMM meets the heightened quoting standard described below for SPXW, the LMM will receive an additional pro-rata share

of a compensation pool for SPXW equal to \$15,000 times the number of LMMs in that class (for a total of \$30,000 per month for meeting the standard for both SPX and SPXW).⁶ The Exchange next proposes to amend the heightened quoting standard to provide that in order to receive the rebates under the program, the SPX LMM(s) must provide continuous electronic quotes that meet or exceed the following heightened quoting standards in at least 99% of each of SPX and SPXW series 90% of the time in a given month during GTH:

Premium	Expiring		Near term		Mid term		Long term	
	7 days or less		8 days to 60 days		61 days to 270 days		271 days or greater	
	Width	Size	Width	Size	Width	Size	Width	Size
\$0-\$5.00	\$0.50	10	\$0.40	25	\$0.60	15	\$1.00	10
\$5.01-\$15.00	2.00	7	1.60	18	2.40	11	4.00	7
\$15.01-\$50.00	5.00	5	4.00	13	6.00	8	10.00	5
\$50.01-\$100.00	10.00	3	8.00	8	12.00	5	20.00	3
\$100.01-\$200.00	20.00	2	16.00	5	24.00	3	40.00	2
Greater Than \$200.00	30.00	1	24.00	3	36.00	1	60.00	1

The Exchange also proposes to similarly amend the GTH VIX LMM program. The Exchange first notes that it will maintain the current compensation pool and continue to provide that if a GTH VIX LMM meets the proposed heightened quoting standard described below, it will receive

a pro-rata share of a compensation pool for VIX equal to \$20,000 times the number of LMMs in that class (or prorated amount if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month) for that month.⁷ In order for an LMM to receive the rebate of \$20,000

per month, the Exchange proposes to provide that the LMM(s) must provide continuous electronic quotes that meet or exceed the following heightened quoting standards in at least 99% of the VIX series 90% of the time in a given month:⁸

Premium	Expiring		Near term		Mid term		Long term	
	7 days or less		8 days to 60 days		61 days to 270 days		271 days or greater	
	Width	Size	Width	Size	Width	Size	Width	Size
\$0-\$3.00	\$0.50	25	\$0.40	50	\$0.50	25	\$1.00	10
\$3.01-\$5.00	0.75	15	0.60	30	0.75	15	1.50	7
\$5.01-\$10.00	\$1.00	10	0.80	20	1.00	10	2.00	5
\$10.01-\$30.00	3.00	5	1.00	10	3.00	5	5.00	3
\$30.01-\$30.00	5.00	3	3.00	5	5.00	3	7.00	2
Greater Than \$100.00	10.00	1	5.00	1	10.00	1	12.00	1

The Exchange believes the proposed rebates provided under the GTH LMM programs, as amended, continues to encourage GTH LMMs to provide significant liquidity in SPX, SPXW and VIX options during GTH, just as the

standards and rebate under the current MSCI financial incentive program similarly incentivizes MSCI LMMs to provide significant liquidity in MSCI products. Additionally, the Exchange notes that both GTH LMMs and MSCI

LMMs may need to undertake expenses to be able to quote at a significantly heightened standard in these classes, such as purchase more logical connectivity based on their increased capacity needs. The Exchange notes that

⁵ See e.g., Cboe Options Rule 8.7 and Rule 8.15.

⁶ The Exchange proposes to continue to include in the Fees Schedule an example of how the compensation pools work. Specifically, the Exchange will provide the following example: if two LMMs are appointed in SPX a compensation pool will be established each month for (i) SPX totaling \$30,000 and (ii) SPXW totaling \$30,000. If each LMM meets the heightened continuous quoting standard in SPX and SPXW during a month, each will receive \$30,000. If only one LMM

meets the heightened continuous quoting standard in SPX and SPXW during a month, that LMM would receive \$60,000 and the other one would receive nothing.

⁷ The Exchange proposes to continue to include in the Fees Schedule an example of how the compensation pools work. Specifically, the Exchange will provide the following example: If two LMMs are appointed in VIX a compensation pool will be established each month totaling \$40,000. If each LMM meets the heightened

continuous quoting standard in VIX during a month, each will receive \$20,000. If only one LMM meets the heightened continuous quoting standard in VIX during a month, that LMM would receive \$40,000 and the other one would receive nothing.

⁸ For the month of October 2019, the Exchange proposes to apply the heightened quoting standard from October 7 to October 31, in light of the migration of the Exchange's billing system.

the proposed amendments to the GTH LMM program provides a harmonized approach to financial incentive programs for LMMs. The programs, as proposed, continue to offer financial benefits for meeting heightened quoting standards.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁹ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁰ 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 Section 6(b)(4) of the Act,¹¹ which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities.

First, the Exchange believes the proposed changes to the GTH LMM financial benefit programs are reasonable as the Exchange believes the proposed amendments provide for a simpler and more streamlined heightened quoting standard, is easier to administer on the new billing platform and provides harmonization across LMM financial benefit programs (e.g., conforms with the format of the MSCI LMM program). The Exchange also believes the proposed amended rebates are reasonable as the proposed rebates are similar to the rebates offered currently. Particularly, the Exchange proposes to maintain the current compensation pools and rebate amounts, with the only change being that SPX and SPXW will have separate compensation pools. (i.e., GTH SPX LMMs are currently eligible for a compensation pool equal to \$30,000 times the number of LMMs in SPX, and post-migration they will be eligible for

two compensation pools, one for SPX at \$15,000 times the number of LMMs in SPX and another for SPXW at \$15,000 times the number of LMMs in SPX). The Exchange also believes the GTH LMM financial incentive programs are reasonable, equitable and not unfairly discriminatory because the Exchange wants to ensure it continues incentivizing the LMMs to provide liquid and active markets in these products during GTH. The Exchange believes it is equitable and not unfairly discriminatory to only offer this financial incentive to the GTH LMMs because it benefits all market participants trading SPX, SPXW and VIX during GTH to encourage the LMMs to satisfy the heightened quoting standards, which may increase liquidity and provide more trading opportunities and tighter spreads. Indeed, the Exchange notes that the GTH LMMs provide a crucial role in providing quotes and the opportunity for market participants to trade during GTH, which can lead to increased volume, thereby providing a robust market. The Exchange also notes that the GTH LMM may have added costs each month that it needs to undertake in order to satisfy that heightened quoting standard (e.g., having to purchase additional logical connectivity).

The Exchange ultimately wishes to ensure a GTH LMM is adequately incentivized to provide liquid and active markets in SPX, SPXW and VIX during GTH to encourage liquidity. The Exchange believes that the program, even as amended, will continue to encourage increased quoting to add liquidity in SPX, SPXW and VIX products, thereby protecting investors and the public interest. Additionally, if a GTH LMM does not satisfy the heightened quoting standards for the duration of the required time, then it simply will not receive the offered per class payment for that month.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule changes will impose any burden on competition that are not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because it applies uniformly to similarly situated GTH LMMs, which market participants play a crucial role in providing active and liquid markets during GTH. The Exchange does not believe that the proposed rule change

will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because SPX, SPXW and VIX options are proprietary products that will only be traded on Cboe Options. To the extent that the proposed changes make Cboe Options a more attractive marketplace for market participants at other exchanges, such market participants are welcome to become Cboe Options market participants.

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 comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹² and paragraph (f) of Rule 19b-4¹³ 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-2019-083 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.

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(5).

¹¹ 15 U.S.C. 78f(b)(4).

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 17 CFR 240.19b-4(f).

All submissions should refer to File Number SR–CBOE–2019–083. 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 website (<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 website 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 offices of the Exchange. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–CBOE–2019–083, and should be submitted on or before November 6, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2019–22484 Filed 10–15–19; 8:45 am]

BILLING CODE 8011–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Docket No. FAA–2019–0781]

Agency Information Collection

Activities: Requests for Comments; Clearance of Renewed Approval of Information Collection: Automatic Dependent Surveillance Broadcast (ADS–B) Out Performance Requirements To Support Air Traffic Control (ATC) Service

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, FAA invites public comments about our intention to request the Office of Management and Budget (OMB) approval to renew a previously approved information collection. The final rule titles “Automatic Dependent Surveillance Broadcast (ADS–B) Equipage Mandate to Support Air Traffic Control Service,” requires performance requirements for certain avionics equipment on aircraft operating in specified classes of airspace within the United States National Airspace System (NAS). The rule facilitates the use of ADS–B for aircraft surveillance by FAA air traffic controllers to accommodate the expected increase in demand for air transportation.

DATES: Written comments should be submitted by December 16, 2019.

ADDRESSES: Please send written comments:

By Electronic Docket:
www.regulations.gov (Enter docket number into search field)

By mail: Send comments to FAA at the following address: Mr. David Gray, Group Manager, Surveillance and Broadcast Services, AJM–42, Air Traffic Organization, Federal Aviation Administration, 600 Independence Ave. SW, Wilbur Wright Building, Washington, DC 20597

By fax: +1.202.267.1277 (Attention: Mr. David Gray, Group Manager, Surveillance and Broadcast Services, AJM–42, Air Traffic Organization, Federal Aviation Administration
FOR FURTHER INFORMATION CONTACT: For technical questions concerning this action, contact Mr. Bryan Robles, Surveillance and Broadcast Services, Air Traffic Organization, Federal Aviation Administration at bryan.robles@faa.gov or +1.202–267–0122.

SUPPLEMENTARY INFORMATION:

Public Comments Invited: You are asked to comment on any aspect of this information collection, including (a) Whether the proposed collection of information is necessary for FAA's performance; (b) the accuracy of the estimated burden; (c) ways for FAA to enhance the quality, utility and clarity of the information collection; and (d) ways that the burden could be minimized without reducing the quality of the collected information. The agency will summarize and/or include your comments in the request for OMB's clearance of this information collection.
OMB Control Number: 2120–0728.

Title: Automatic Dependent Surveillance—Broadcast (ADS–B) Out Performance Requirements To Support Air Traffic Control (ATC) Service.

Form Numbers: None.

Type of Review: Renewal of an information collection.

Background: 14 CFR part 91 includes requirements for certain avionics equipment on aircraft operating in specified classes of airspace within the United States National Airspace System (NAS). After January 1, 2020, unless otherwise authorized by ATC, all aircraft operating in the airspace identified in § 91.225 must comply with the ADS–B Out equipage and performance requirements in §§ 91.225 and 91.227. This collection supports the surveillance information needs of the FAA by requiring avionics equipment that continuously transmits aircraft information through the 1090 megahertz (MHz) extended squitter (ES) broadcast link or the Universal Access Transceiver (UAT) broadcast link to be received by the FAA, via automation, for use in providing air traffic surveillance services. ADS–B equipment will continuously transmit aircraft information in “real time” to FAA ground receivers. ADS–B Out moves air traffic control from a radar-based system to a satellite-derived aircraft location system with capabilities for reducing lateral and longitudinal separation standards. Old information is overwritten on a continuous basis when provided for air traffic surveillance services. As part of the renewal process, the Office of Management and Budget (OMB) requests an estimate of the burden imposed to the public for the collection of information. However, in this case, ADS–B Out information is collected electronically, without input by a human operator. Subsequently a 1-hour burden is submitted as a placeholder to allow entry in OMB's burden inventory.

Respondents: Approximately 100,000–160,000 operators.

Frequency: Information is collected automatically through ADS–B Out transmissions.

Estimated Average Burden per Response: 1 hour (placeholder).

Estimated Total Annual Burden: 1 hour (placeholder).

Issued in Washington, DC, on October 9, 2019.

David E. Gray,

Group Manager, Surveillance and Broadcast Services (AJM–42), Program Management Office, Air Traffic Organization, Federal Aviation Administration.

[FR Doc. 2019–22557 Filed 10–15–19; 8:45 am]

BILLING CODE 4910–13–P

¹⁴ 17 CFR 200.30–3(a)(12).

DEPARTMENT OF TRANSPORTATION**Federal Highway Administration****Notice of Final Federal Agency Actions on Proposed Highway in California**

AGENCY: Federal Highway Administration (FHWA), Department of Transportation (DOT).

ACTION: Notice of Limitation on Claims for Judicial Review of Actions by the California Department of Transportation (Caltrans).

SUMMARY: The FHWA, on behalf of Caltrans, is issuing this notice to announce actions taken by Caltrans that are final. The actions relate to a proposed project, Capital SouthEast Connector—D2 Expressway Project in the City of Rancho Cordova, Sacramento County, California. Those actions grant licenses, permits, and approvals for the project.

DATES: By this notice, the FHWA, on behalf of Caltrans, is advising the public of final agency actions subject to 23 U.S.C. 139(l)(1). A claim seeking judicial review of the Federal agency actions on the highway project will be barred unless the claim is filed on or before March 16, 2020. If the Federal law that authorizes judicial review of a claim provides a time period of less than 150 days for filing such claim, then that shorter time period still applies.

FOR FURTHER INFORMATION CONTACT: For Caltrans: Laura Loeffler, Branch Chief, Caltrans Office of Environmental Management, M-1 California Department of Transportation-District 3, 703 B Street, Marysville, CA 95901. Office Hours: 8:00 a.m.–5:00 p.m., Pacific Standard time, telephone (530) 741-4592 or email laura.loeffler@dot.ca.gov. For FHWA, contact David Tedrick at (916) 498-5024 or email david.tedrick@dot.gov.

SUPPLEMENTARY INFORMATION: Effective July 1, 2007, the FHWA assigned, and Caltrans assumed, environmental responsibilities for this project pursuant to 23 U.S.C. 327. Notice is hereby given that the Caltrans has taken final agency actions subject to 23 U.S.C. 139(l)(1) by issuing licenses, permits, and approvals for the following highway project in the State of California: Caltrans, in conjunction with the Capital SouthEast Connector Joint Powers Authority (JPA), propose to widen Grant Line Road from a two-lane roadway to a four-lane, access-controlled, expressway with a centered median and an adjacent Class I bike/pedestrian trail on the west side of the alignment. The abbreviated purpose is to improve traffic operations and mobility for multimode travel.

Typical project features include lighting at signalized intersections, turn lanes, landscaping, drainage features, frontage/access roads, structural design measures sensitive to wildlife crossings, utility relocations, roadway signage. The project limits start north of the intersection of White Rock Road and end at Jackson Road. The total length of the project is approximately 7.4 miles. The actions by the Federal agencies, and the laws under which such actions were taken, are described in the Final Environmental Assessment (FEA/ Finding of No Significant Impact, FONSI), approved on September 17, 2019, and in other documents in the Caltrans' project records. The FEA, FONSI, and other project records are available by contacting Caltrans at the addresses provided above.

This notice applies to all Federal agency decisions as of the issuance date of this notice and all laws under which such actions were taken, including but not limited to:

1. Council on Environmental Quality Regulations (40 CFR 1500 *et seq.*, 23 CFR 771);
2. National Environmental Policy Act of 1969, as amended, 42 U.S.C. 4321 *et seq.*;
3. Federal-Aid Highway Act of 1970, (23 U.S.C § 109, as amended by FAST Act Section 1404(a), Public Law 114–94, and 23 U.S.C. 128);
4. MAP–21, the Moving Ahead for Progress in the 21st Century Act (Pub. L. 112- 141)
5. Clean Air Act, as amended (42 U.S.C. 7401 *et seq.* (Transportation Conformity), 40 CFR part 93);
6. Clear Water Act of 1977 and 1987 (33 U.S.C. 1251 *et seq.*);
7. Federal Water Pollution Control Act of 1972 (see Clean Water Act of 1977 & 1987)
8. Federal Land Policy and Management Act of 1976, Public Law 94–579
9. Noise Control Act of 1972
10. Safe Drinking Water Act of 1944, as amended
11. Endangered Species Act of 1973
12. Executive Order 11990, Protection of Wetlands Executive Order 13112, Invasive Species
13. Executive Order 13186, Migratory Birds
14. Fish and Wildlife Coordination Act of 1934, as amended
15. Wildflowers, Surface Transportation and Uniform Relocation Act of 1987 Section 130
16. Executive Order 11988, Floodplain Management
17. Department of Transportation (DOT) Executive Order 5650.2-Floodplain Management and Protection (April 23,1979)

18. Rivers and Harbors Appropriation Act of 1899, Sections 9 and 10

19. Title VI of the Civil Rights Act of 1964, as amended

20. Executive Order 12898, Federal Actions to Address Environmental 18. Executive Order 13112, Invasive Species;

21. Department of Transportation Act of 1966, Section 4(f)(49 U.S.C. 303 and 23 U.S.C. 138);

22. National Historic Preservation Act of 1966, as amended (54 U.S.C. 306108 *et seq.*)

Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program.)

Authority: 23 U.S.C. 139(l)(1).

Issued on: October 9, 2019.

Tashia J. Clemons,

Director, Planning and Environment, Federal Highway Administration, California Division.

[FR Doc. 2019–22581 Filed 10–15–19; 8:45 am]

BILLING CODE 4910-RY-P

DEPARTMENT OF TRANSPORTATION**Federal Motor Carrier Safety Administration**

[Docket No. FMCSA–2014–0381; FMCSA–2014–0382; FMCSA–2015–0115]

Qualification of Drivers; Exemption Applications; Epilepsy and Seizure Disorders

AGENCY: Federal Motor Carrier Safety Administration (FMCSA), DOT.

ACTION: Notice of final disposition.

SUMMARY: FMCSA announces its decision to renew exemptions for three individuals from the requirement in the Federal Motor Carrier Safety Regulations (FMCSRs) that interstate commercial motor vehicle (CMV) drivers have “no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause loss of consciousness or any loss of ability to control a CMV.” The exemptions enable these individuals who have had one or more seizures and are taking anti-seizure medication to continue to operate CMVs in interstate commerce.

DATES: The exemptions were applicable on June 10, 2019. The exemptions expire on June 10, 2021.

FOR FURTHER INFORMATION CONTACT: Ms. Christine A. Hydock, Chief, Medical Programs Division, (202) 366–4001, fmcsamedical@dot.gov, FMCSA,

Department of Transportation, 1200 New Jersey Avenue SE, Room W64–224, Washington, DC 20590–0001. Office hours are from 8:30 a.m. to 5 p.m., ET, Monday through Friday, except Federal holidays. If you have questions regarding viewing or submitting material to the docket, contact Docket Operations, (202) 366–9826.

SUPPLEMENTARY INFORMATION:

I. Public Participation

A. Viewing Documents and Comments

To view comments, as well as any documents mentioned in this notice as being available in the docket, go to <http://www.regulations.gov/docket?D=FMCSA-2014-0381> or <http://www.regulations.gov/docket?D=FMCSA-2014-0382> or <http://www.regulations.gov/docket?D=FMCSA-2015-0115> and choose the document to review. If you do not have access to the internet, you may view the docket online by visiting the Docket Management Facility in Room W12–140 on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590, between 9 a.m. and 5 p.m., ET, Monday through Friday, except Federal holidays.

B. Privacy Act

In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to www.regulations.gov, as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at www.dot.gov/privacy.

II. Background

On July 15, 2019, FMCSA published a notice announcing its decision to renew exemptions for three individuals from the epilepsy and seizure disorders prohibition in 49 CFR 391.41(b)(8) to operate a CMV in interstate commerce and requested comments from the public (84 FR 33800). The public comment period ended on August 14, 2019, and two comments were received.

FMCSA has evaluated the eligibility of these applicants and determined that renewing these exemptions would achieve a level of safety equivalent to, or greater than, the level that would be achieved by complying with § 391.41(b)(8).

The physical qualification standard for drivers regarding epilepsy found in § 391.41(b)(8) states that a person is physically qualified to drive a CMV if that person has no established medical history or clinical diagnosis of epilepsy

or any other condition which is likely to cause the loss of consciousness or any loss of ability to control a CMV.

In addition to the regulations, FMCSA has published advisory criteria¹ to assist medical examiners in determining whether drivers with certain medical conditions are qualified to operate a CMV in interstate commerce.

III. Discussion of Comments

FMCSA received two comments in this proceeding. These comments supported granting the exemptions.

IV. Conclusion

Based on its evaluation of the three renewal exemption applications and comments received, FMCSA announces its decision to exempt the following drivers from the epilepsy and seizure disorders prohibition in § 391.41(b)(8).

As of June 10, 2019, and in accordance with 49 U.S.C. 31136(e) and 31315(b), the following three individuals have satisfied the renewal conditions for obtaining an exemption from the epilepsy and seizure disorders prohibition in the FMCSRs for interstate CMV drivers: Monte J. DeRocini (PA); Teddy H. Dixon (GA); and Bryan R. Jones (PA).

The drivers were included in docket numbers FMCSA–2014–0381; FMCSA–2014–0382; and FMCSA–2015–0115. Their exemptions are applicable as of June 10, 2019, and will expire on June 10, 2021.

In accordance with 49 U.S.C. 31315(b), each exemption will be valid for 2 years from the effective date unless revoked earlier by FMCSA. The exemption will be revoked if the following occurs: (1) The person fails to comply with the terms and conditions of the exemption; (2) the exemption has resulted in a lower level of safety than was maintained prior to being granted; or (3) continuation of the exemption would not be consistent with the goals and objectives of 49 U.S.C. 31136(e) and 31315(b).

Issued on: October 4, 2019.

Larry W. Minor,

Associate Administrator for Policy.

[FR Doc. 2019–22504 Filed 10–15–19; 8:45 am]

BILLING CODE 4910–EX–P

¹ These criteria may be found in APPENDIX A TO PART 391—MEDICAL ADVISORY CRITERIA, section H. *Epilepsy*: § 391.41(b)(8), paragraphs 3, 4, and 5, which is available on the internet at <https://www.gpo.gov/fdsys/pkg/CFR-2015-title49-vol5/pdf/CFR-2015-title49-vol5-part391-appA.pdf>.

DEPARTMENT OF TRANSPORTATION

Federal Motor Carrier Safety Administration

[Docket No. FMCSA–2016–0315]

Qualification of Drivers; Exemption Applications; Epilepsy and Seizure Disorders

AGENCY: Federal Motor Carrier Safety Administration (FMCSA), DOT.

ACTION: Notice of final disposition.

SUMMARY: FMCSA announces its decision to renew exemptions for three individuals from the requirement in the Federal Motor Carrier Safety Regulations (FMCSRs) that interstate commercial motor vehicle (CMV) drivers have “no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause loss of consciousness or any loss of ability to control a CMV.” The exemptions enable these individuals who have had one or more seizures and are taking anti-seizure medication to continue to operate CMVs in interstate commerce.

DATES: The exemptions were applicable on May 5, 2019. The exemptions expire on May 5, 2021.

FOR FURTHER INFORMATION CONTACT: Ms. Christine A. Hydock, Chief, Medical Programs Division, (202) 366–4001, fmcsamedical@dot.gov, FMCSA, Department of Transportation, 1200 New Jersey Avenue SE, Room W64–224, Washington, DC 20590–0001. Office hours are from 8:30 a.m. to 5 p.m., ET, Monday through Friday, except Federal holidays. If you have questions regarding viewing or submitting material to the docket, contact Docket Services, (202) 366–9826.

SUPPLEMENTARY INFORMATION:

I. Public Participation

A. Viewing Documents and Comments

To view comments, as well as any documents mentioned in this notice as being available in the docket, go to <http://www.regulations.gov/docket?D=FMCSA-2019-0315> and choose the document to review. If you do not have access to the internet, you may view the docket online by visiting the Docket Management Facility in Room W12–140 on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590, between 9 a.m. and 5 p.m., ET, Monday through Friday, except Federal holidays.

B. Privacy Act

In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to www.regulations.gov, as described in the system of records notice (DOT/ALL-14 FDMS), which can be reviewed at www.dot.gov/privacy.

II. Background

On July 15, 2019, FMCSA published a notice announcing its decision to renew exemptions for three individuals from the epilepsy and seizure disorders prohibition in 49 CFR 391.41(b)(8) to operate a CMV in interstate commerce and requested comments from the public (84 FR 33808). The public comment period ended on August 14, 2019, and no comments were received.

FMCSA has evaluated the eligibility of these applicants and determined that renewing these exemptions would achieve a level of safety equivalent to, or greater than, the level that would be achieved by complying with § 391.41(b)(8).

The physical qualification standard for drivers regarding epilepsy found in § 391.41(b)(8) states that a person is physically qualified to drive a CMV if that person has no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause the loss of consciousness or any loss of ability to control a CMV.

In addition to the regulations, FMCSA has published advisory criteria¹ to assist medical examiners in determining whether drivers with certain medical conditions are qualified to operate a CMV in interstate commerce.

III. Discussion of Comments

FMCSA received no comments in this preceding.

IV. Conclusion

Based on its evaluation of the three renewal exemption applications, FMCSA announces its decision to exempt the following drivers from the epilepsy and seizure disorders prohibition in § 391.41(b)(8).

As of May 5, 2019, and in accordance with 49 U.S.C. 31136(e) and 31315(b), the following three individuals have satisfied the renewal conditions for obtaining an exemption from the epilepsy and seizure disorders

prohibition in the FMCSRs for interstate CMV drivers (84 FR 33808): Brian Brown (PA); Adam Cutler (MA); and Larry Henington (UT).

The drivers were included in docket number FMCSA-2016-0315. Their exemptions are applicable as of May 5, 2019, and will expire on May 5, 2021.

In accordance with 49 U.S.C. 31315(b), each exemption will be valid for 2 years from the effective date unless revoked earlier by FMCSA. The exemption will be revoked if the following occurs: (1) The person fails to comply with the terms and conditions of the exemption; (2) the exemption has resulted in a lower level of safety than was maintained prior to being granted; or (3) continuation of the exemption would not be consistent with the goals and objectives of 49 U.S.C. 31136(e) and 31315(b).

Issued on: October 4, 2019.

Larry W. Minor,

Associate Administrator for Policy.

[FR Doc. 2019-22506 Filed 10-15-19; 8:45 am]

BILLING CODE 4910-EX-P

DEPARTMENT OF TRANSPORTATION

Federal Motor Carrier Safety Administration

[Docket No. FMCSA-2019-0035]

Qualification of Drivers; Exemption Applications; Epilepsy and Seizure Disorders

AGENCY: Federal Motor Carrier Safety Administration (FMCSA), DOT.

ACTION: Notice of applications for exemption; request for comments.

SUMMARY: FMCSA announces receipt of applications from five individuals for an exemption from the prohibition in the Federal Motor Carrier Safety Regulations (FMCSRs) against persons with a clinical diagnosis of epilepsy or any other condition that is likely to cause a loss of consciousness or any loss of ability to control a commercial motor vehicle (CMV) to drive in interstate commerce. If granted, the exemptions would enable these individuals who have had one or more seizures and are taking anti-seizure medication to operate CMVs in interstate commerce.

DATES: Comments must be received on or before November 15, 2019.

ADDRESSES: You may submit comments identified by the Federal Docket Management System (FDMS) Docket No. FMCSA-2019-0035 using any of the following methods:

- **Federal eRulemaking Portal:** Go to <http://www.regulations.gov/>

docket?D=FMCSA-2019-0035. Follow the online instructions for submitting comments.

- **Mail:** Docket Management Facility; U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12-140, Washington, DC 20590-0001.

- **Hand Delivery:** West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC, between 9 a.m. and 5 p.m., ET, Monday through Friday, except Federal Holidays.

- **Fax:** (202) 493-2251.

To avoid duplication, please use only one of these four methods. See the "Public Participation" portion of the **SUPPLEMENTARY INFORMATION** section for instructions on submitting comments.

FOR FURTHER INFORMATION CONTACT: Ms. Christine A. Hydock, Chief, Medical Programs Division, (202) 366-4001, fmcsamedical@dot.gov, FMCSA, Department of Transportation, 1200 New Jersey Avenue SE, Room W64-224, Washington, DC 20590-0001. Office hours are 8:30 a.m. to 5 p.m., ET, Monday through Friday, except Federal holidays. If you have questions regarding viewing or submitting material to the docket, contact Docket Operations, (202) 366-9826.

SUPPLEMENTARY INFORMATION:

I. Public Participation

A. Submitting Comments

If you submit a comment, please include the docket number for this notice (Docket No. FMCSA-2019-0035), indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation. You may submit your comments and material online or by fax, mail, or hand delivery, but please use only one of these means. FMCSA recommends that you include your name and a mailing address, an email address, or a phone number in the body of your document so that FMCSA can contact you if there are questions regarding your submission.

To submit your comment online, go to <http://www.regulations.gov/docket?D=FMCSA-2019-0035>. Click on the "Comment Now!" button and type your comment into the text box on the following screen. Choose whether you are submitting your comment as an individual or on behalf of a third party and then submit.

If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit

¹ These criteria may be found in APPENDIX A TO PART 391—MEDICAL ADVISORY CRITERIA, section H. *Epilepsy*: § 391.41(b)(8), paragraphs 3, 4, and 5, which is available on the internet at <https://www.gpo.gov/fdsys/pkg/CFR-2015-title49-vol5/pdf/CFR-2015-title49-vol5-part391-appA.pdf>.

comments by mail and would like to know that they reached the facility, please enclose a stamped, self-addressed postcard or envelope.

FMCSA will consider all comments and material received during the comment period.

B. Viewing Documents and Comments

To view comments, as well as any documents mentioned in this notice as being available in the docket, go to <http://www.regulations.gov/docket?D=FMCSA-2019-0035> and choose the document to review. If you do not have access to the internet, you may view the docket online by visiting the Docket Management Facility in Room W12-140 on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590, between 9 a.m. and 5 p.m., ET, Monday through Friday, except Federal holidays.

C. Privacy Act

In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to www.regulations.gov, as described in the system of records notice (DOT/ALL-14 FDMS), which can be reviewed at www.dot.gov/privacy.

II. Background

Under 49 U.S.C. 31136(e) and 31315(b), FMCSA may grant an exemption from the FMCSRs for no longer than a 5-year period if it finds such exemption would likely achieve a level of safety that is equivalent to, or greater than, the level that would be achieved absent such exemption. The statute also allows the Agency to renew exemptions at the end of the 5-year period. FMCSA grants medical exemptions from the FMCSRs for a 2-year period to align with the maximum duration of a driver's medical certification.

The five individuals listed in this notice have requested an exemption from the epilepsy and seizure disorders prohibition in 49 CFR 391.41(b)(8). Accordingly, the Agency will evaluate the qualifications of each applicant to determine whether granting the exemption will achieve the required level of safety mandated by statute.

The physical qualification standard for drivers regarding epilepsy found in § 391.41(b)(8) states that a person is physically qualified to drive a CMV if that person has no established medical history or clinical diagnosis of epilepsy or any other condition which is likely

to cause the loss of consciousness or any loss of ability to control a CMV.

In addition to the regulations, FMCSA has published advisory criteria¹ to assist medical examiners (MEs) in determining whether drivers with certain medical conditions are qualified to operate a CMV in interstate commerce.

The criteria states that if an individual has had a sudden episode of a non-epileptic seizure or loss of consciousness of unknown cause that did not require anti-seizure medication, the decision whether that person's condition is likely to cause the loss of consciousness or loss of ability to control a CMV should be made on an individual basis by the ME in consultation with the treating physician. Before certification is considered, it is suggested that a 6-month waiting period elapse from the time of the episode. Following the waiting period, it is suggested that the individual have a complete neurological examination. If the results of the examination are negative and anti-seizure medication is not required, then the driver may be qualified.

In those individual cases where a driver has had a seizure or an episode of loss of consciousness that resulted from a known medical condition (e.g., drug reaction, high temperature, acute infectious disease, dehydration, or acute metabolic disturbance), certification should be deferred until the driver has recovered fully from that condition, has no existing residual complications, and is not taking anti-seizure medication.

Drivers who have a history of epilepsy/seizures, off anti-seizure medication and seizure-free for 10 years, may be qualified to operate a CMV in interstate commerce. Interstate drivers with a history of a single unprovoked seizure may be qualified to drive a CMV in interstate commerce if seizure-free and off anti-seizure medication for a 5-year period or more.

As a result of MEs misinterpreting advisory criteria as regulation, numerous drivers have been prohibited from operating a CMV in interstate commerce based on the fact that they have had one or more seizures and are taking anti-seizure medication, rather than an individual analysis of their circumstances by a qualified ME based on the physical qualification standards and medical best practices.

¹ These criteria may be found in APPENDIX A TO PART 391—MEDICAL ADVISORY CRITERIA, section H. *Epilepsy*: § 391.41(b)(8), paragraphs 3, 4, and 5, which is available on the internet at <https://www.gpo.gov/fdsys/pkg/CFR-2015-title49-vol5/pdf/CFR-2015-title49-vol5-part391-appA.pdf>.

On January 15, 2013, FMCSA announced in a Notice of Final Disposition titled, "Qualification of Drivers; Exemption Applications; Epilepsy and Seizure Disorders," (78 FR 3069), its decision to grant requests from 22 individuals for exemptions from the regulatory requirement that interstate CMV drivers have "no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause loss of consciousness or any loss of ability to control a CMV." Since that time, the Agency has published additional notices granting requests from individuals for exemptions from the regulatory requirement regarding epilepsy found in § 391.41(b)(8).

To be considered for an exemption from the epilepsy and seizure disorders prohibition in § 391.41(b)(8), applicants must meet the criteria in the 2007 recommendations of the Agency's Medical Expert Panel (78 FR 3069).

III. Qualifications of Applicants

Jacob Brenwall

Mr. Brenwall is a 32-year-old class D driver in Wisconsin. He has a history of seizure disorder and has been seizure free since 1999. He takes anti-seizure medication with the dosage and frequency remaining the same since 1999. His physician states that he is supportive of Mr. Brenwall receiving an exemption.

Frederick Costello

Mr. Costello is a 53-year-old class D driver in New York. He has a history of seizure disorder and has been seizure free since 1987. He takes anti-seizure medication with the dosage and frequency remaining the same since 2017. His physician states that he is supportive of Mr. Costello receiving an exemption.

Robert Davidson

Mr. Davidson is a 67-year-old class A CDL holder in Idaho. He has a history of seizure disorder and has been seizure free since 1999. He takes anti-seizure medication with the dosage and frequency remaining the same since 1999. His physician states that he is supportive of Mr. Davidson receiving an exemption.

Joshua Pittman

Mr. Pittman is a 38-year-old class C driver in California. He has a history of epilepsy and has been seizure free since 2007. He takes anti-seizure medication with the dosage and frequency remaining the same since 2011. His physician states that he is supportive of Mr. Pittman receiving an exemption.

Philip Stoddart

Mr. Stoddart is a 30-year-old class D driver in New York. He has a history of epilepsy and has been seizure free since 2009. He takes anti-seizure medication with the dosage and frequency remaining the same since 2009. His physician states that she is supportive of Mr. Stoddart receiving an exemption.

IV. Request for Comments

In accordance with 49 U.S.C. 31136(e) and 31315(b), FMCSA requests public comment from all interested persons on the exemption petitions described in this notice. We will consider all comments received before the close of business on the closing date indicated under the **DATES** section of the notice.

Issued on: October 4, 2019.

Larry W. Minor,

Associate Administrator for Policy.

[FR Doc. 2019-22503 Filed 10-15-19; 8:45 am]

BILLING CODE 4910-EX-P

DEPARTMENT OF TRANSPORTATION**Federal Motor Carrier Safety Administration**

[Docket No. FMCSA-2019-0110]

Qualification of Drivers; Exemption Applications; Hearing

AGENCY: Federal Motor Carrier Safety Administration (FMCSA), DOT.

ACTION: Notice of applications for exemption; request for comments.

SUMMARY: FMCSA announces receipt of applications from 29 individuals for an exemption from the hearing requirement in the Federal Motor Carrier Safety Regulations (FMCSRs) to operate a commercial motor vehicle (CMV) in interstate commerce. If granted, the exemptions would enable these hard of hearing and deaf individuals to operate CMVs in interstate commerce.

DATES: Comments must be received on or before November 15, 2019.

ADDRESSES: You may submit comments identified by the Federal Docket Management System (FDMS) Docket No. FMCSA-2019-0110 using any of the following methods:

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov/docket?D=FMCSA-2019-0110>. Follow the online instructions for submitting comments.

- *Mail:* Docket Management Facility; U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12-140, Washington, DC 20590-0001.

- *Hand Delivery:* West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC, between 9 a.m. and 5 p.m., ET, Monday through Friday, except Federal Holidays.

- *Fax:* (202) 493-2251.

To avoid duplication, please use only one of these four methods. See the "Public Participation" portion of the **SUPPLEMENTARY INFORMATION** section for instructions on submitting comments.

FOR FURTHER INFORMATION CONTACT: Ms. Christine A. Hydock, Chief, Medical Programs Division, (202) 366-4001, fmcamedical@dot.gov, FMCSA, Department of Transportation, 1200 New Jersey Avenue SE, Room W64-224, Washington, DC 20590-0001. Office hours are 8:30 a.m. to 5 p.m., ET, Monday through Friday, except Federal holidays. If you have questions regarding viewing or submitting material to the docket, contact Docket Operations, (202) 366-9826.

SUPPLEMENTARY INFORMATION:**I. Public Participation***A. Submitting Comments*

If you submit a comment, please include the docket number for this notice (Docket No. FMCSA-2019-0110), indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation. You may submit your comments and material online or by fax, mail, or hand delivery, but please use only one of these means. FMCSA recommends that you include your name and a mailing address, an email address, or a phone number in the body of your document so that FMCSA can contact you if there are questions regarding your submission.

To submit your comment online, go to <http://www.regulations.gov/docket?D=FMCSA-2019-0110>. Click on the "Comment Now!" button and type your comment into the text box on the following screen. Choose whether you are submitting your comment as an individual or on behalf of a third party and then submit.

If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit comments by mail and would like to know that they reached the facility, please enclose a stamped, self-addressed postcard or envelope.

FMCSA will consider all comments and material received during the comment period.

B. Viewing Documents and Comments

To view comments, as well as any documents mentioned in this notice as being available in the docket, go to <http://www.regulations.gov/docket?D=FMCSA-2019-0110> and choose the document to review. If you do not have access to the internet, you may view the docket online by visiting the Docket Management Facility in Room W12-140 on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590, between 9 a.m. and 5 p.m., ET, Monday through Friday, except Federal holidays.

C. Privacy Act

In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to www.regulations.gov, as described in the system of records notice (DOT/ALL-14 FDMS), which can be reviewed at www.dot.gov/privacy.

II. Background

Under 49 U.S.C. 31136(e) and 31315(b), FMCSA may grant an exemption from the FMCSRs for no longer than a 5-year period if it finds such exemption would likely achieve a level of safety that is equivalent to, or greater than, the level that would be achieved absent such exemption. The statute also allows the Agency to renew exemptions at the end of the 5-year period. FMCSA grants medical exemptions from the FMCSRs for a 2-year period to align with the maximum duration of a driver's medical certification.

The 29 individuals listed in this notice have requested an exemption from the hearing requirement in 49 CFR 391.41(b)(11). Accordingly, the Agency will evaluate the qualifications of each applicant to determine whether granting the exemption will achieve the required level of safety mandated by statute.

The physical qualification standard for drivers regarding hearing found in § 391.41(b)(11) states that a person is physically qualified to drive a CMV if that person first perceives a forced whispered voice in the better ear at not less than 5 feet with or without the use of a hearing aid or, if tested by use of an audiometric device, does not have an average hearing loss in the better ear greater than 40 decibels at 500 Hz, 1,000 Hz, and 2,000 Hz with or without a hearing aid when the audiometric device is calibrated to American National Standard (formerly ASA Standard) Z24.5-1951.

This standard was adopted in 1970 and was revised in 1971 to allow drivers to be qualified under this standard while wearing a hearing aid, 35 FR 6458, 6463 (April 22, 1970) and 36 FR 12857 (July 3, 1971).

On February 1, 2013, FMCSA announced in a Notice of Final Disposition titled, "Qualification of Drivers; Application for Exemptions; National Association of the Deaf," (78 FR 7479), its decision to grant requests from 40 individuals for exemptions from the Agency's physical qualification standard concerning hearing for interstate CMV drivers. Since that time the Agency has published additional notices granting requests from hard of hearing and deaf individuals for exemptions from the Agency's physical qualification standard concerning hearing for interstate CMV drivers.

III. Qualifications of Applicants

Jeremy T. Albright

Mr. Albright, 31, holds an operator's license in California.

Byron S. Allen

Mr. Allen, 30, holds an operator's license in Florida.

Carlos Arellano

Mr. Arellano, 32, holds an operator's license in California.

Ryan Arrington

Mr. Arrington, 34, holds an operator's license in Minnesota.

Jeffrey A. Barbuto

Mr. Barbuto, 38, holds an operator's license in New Hampshire.

Dain Covington

Mr. Covington, 31, holds an operator's license in Virginia.

Tymekia L. Crawford

Ms. Crawford, 26, holds an operator's license in Texas.

Brian J. Davlin

Mr. Davlin, 50, holds a class A CDL in Nevada.

John Fazio

Mr. Fazio, 37, holds a class A CDL in Ohio.

Alvin Grasty

Mr. Grasty, 54, holds a class A CDL in Pennsylvania.

Derek Hawkins

Mr. Hawkins, 37, holds an operator's license in New Hampshire.

Emil A. Iontchev

Mr. Iontchev, 38, holds a class A CDL in Illinois.

Shane Kennedy

Mr. Kennedy, 71, holds a class A CDL in Florida.

Lacey Mathis

Ms. Mathis, 37, holds an operator's license in Tennessee.

Billy Joe McClain

Mr. McClain, 53, holds a class A CDL in New York.

Danny W. McGowan

Mr. McGowan, 42, holds a class A CDL in West Virginia.

Alan Mitchell

Mr. Mitchell, 70, holds a class A CDL in New York.

Ronald Misner

Mr. Misner, 57, holds a class A CDL in California.

Matthew Moore

Mr. Moore, 34, holds a class A CDL in Texas.

Abdiwahab S. Olow

Mr. Olow, 31, holds an operator's license in Minnesota.

Timothy Roberts

Mr. Roberts, 29, holds an operator's license in Tennessee.

Gilbert L. Swagger, Jr.

Mr. Swagger, 66, holds a class A CDL in Texas.

Teddy R. Tice

Mr. Tice, 50, holds a class A CDL in New York.

Cameron Thomas

Mr. Thomas, 33, holds an operator's license in Iowa.

Tyler Turner

Mr. Turner, 52, holds an operator's license in Tennessee.

Jerry Ward

Mr. Ward, 28, holds an operator's license in North Carolina.

Edward Wessels

Mr. Wessels, 28, holds an operator's license in Missouri.

Joseph Williams

Mr. Williams, 58, holds an operator's license in Maryland.

Thomas E. Wray

Mr. Wray, 50, holds an operator's license in North Carolina.

IV. Request for Comments

In accordance with 49 U.S.C. 31136(e) and 31315(b), FMCSA requests public comment from all interested persons on the exemption petitions described in this notice. We will consider all comments received before the close of business on the closing date indicated under the **DATES** section of the notice.

Issued on: October 4, 2019.

Larry W. Minor,

Associate Administrator for Policy.

[FR Doc. 2019-22501 Filed 10-15-19; 8:45 am]

BILLING CODE 4910-EX-P

DEPARTMENT OF TRANSPORTATION

Federal Motor Carrier Safety Administration

[Docket No. FMCSA-2019-0184]

Hours of Service of Drivers: PTS Worldwide, Inc.; Application for Exemption

AGENCY: Federal Motor Carrier Safety Administration (FMCSA), DOT.

ACTION: Notice of application for exemption; request for comments.

SUMMARY: FMCSA announces that it has received an application from PTS Worldwide, Inc. (PTS) (USDOT 1835654) for an exemption from the hours-of-service (HOS) requirement that drivers utilizing the sleeper-berth (S/B) exception obtain a period of at least 8 consecutive hours in the S/B, plus an additional 2 hours either in the S/B, off duty, or any combination thereof. PTS transports highly sensitive cargo for the Department of Defense (DOD) and proposes that its team drivers be permitted to obtain 10 hours in the S/B in two periods, neither less than 4 hours long. This would allow the driver to split the required 10 hours into segments of $\frac{4}{6}$, $\frac{5}{5}$, or $\frac{6}{4}$ hours. FMCSA requests public comment on PTS's application for exemption.

DATES: Comments must be received on or before November 15, 2019.

ADDRESSES: You may submit comments identified by Federal Docket Management System (FDMS) Number FMCSA-2019-0184 by any of the following methods:

- *Federal eRulemaking Portal:* www.regulations.gov. See the *Public Participation and Request for Comments* section below for further information.
- *Mail:* Docket Management Facility, U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building, Ground Floor, Room W12-140, Washington, DC 20590-0001.
- *Hand Delivery or Courier:* West Building, Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, between 9 a.m. and 5 p.m. E.T., Monday through Friday, except Federal holidays.
- *Fax:* 1-202-493-2251.

Each submission must include the Agency name and the docket number for this notice. Note that DOT posts all comments received without change to

www.regulations.gov, including any personal information included in a comment. Please see the *Privacy Act* heading below.

Docket: For access to the docket to read background documents or comments, go to www.regulations.gov at any time or visit Room W12-140 on the ground level of the West Building, 1200 New Jersey Avenue SE, Washington, DC, between 9 a.m. and 5 p.m., ET, Monday through Friday, except Federal holidays. The on-line FDMS is available 24 hours each day, 365 days each year.

Privacy Act: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to www.regulations.gov, as described in the system of records notice (DOT/ALL-14 FDMS), which can be reviewed at www.dot.gov/privacy.

FOR FURTHER INFORMATION CONTACT: Mr. Richard Clemente, FMCSA Driver and Carrier Operations Division; Office of Carrier, Driver and Vehicle Safety Standards; Telephone: (202) 366-4325; Email: MCPSD@dot.gov. If you have questions on viewing or submitting material to the docket, contact Docket Services, telephone (202) 366-9826.

SUPPLEMENTARY INFORMATION:

I. Public Participation and Request for Comments

FMCSA encourages you to participate by submitting comments and related materials.

Submitting Comments

If you submit a comment, please include the docket number for this notice (FMCSA-2019-0184), indicate the specific section of this document to which the comment applies, and provide a reason for suggestions or recommendations. You may submit your comments and material online or by fax, mail, or hand delivery, but please use only one of these means. FMCSA recommends that you include your name and a mailing address, an email address, or a phone number, in the body of your document so the Agency can contact you if it has questions regarding your submission.

To submit your comment online, go to www.regulations.gov and put the docket number, "FMCSA-2019-0184" in the "Keyword" box and click "Search." When the new screen appears, click on "Comment Now!" button and type your comment into the text box in the following screen. Choose whether you are submitting your comment as an individual or on behalf of a third party

and then submit. If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit comments by mail and would like to know that they reached the facility, please enclose a stamped, self-addressed postcard or envelope. FMCSA will consider all comments and material received during the comment period.

II. Legal Basis

FMCSA has authority under 49 U.S.C. 31136(e) and 31315 to grant exemptions from certain Federal Motor Carrier Safety Regulations (FMCSRs). FMCSA must publish a notice of each exemption request in the **Federal Register** (49 CFR 381.315(a)). The Agency must provide the public an opportunity to inspect the information relevant to the application, including any safety analyses that have been conducted and provide an opportunity for public comment on the request.

The Agency performs a review of safety analyses and public comments submitted and determines whether granting the exemption would likely achieve a level of safety equivalent to, or greater than the level that would be achieved by the current regulation (49 CFR 381.305). The Agency will publish its decision in the **Federal Register** (49 CFR 381.315(b)) with the reasons for denying or granting the application and, if granted, the name of the person or class of persons receiving the exemption and the regulatory provision from which the exemption is granted. The notice must specify the effective period (up to 5 years) and explain the terms and conditions of the exemption. The exemption may be renewed (49 CFR 381.300(b)).

III. Request for Exemption

The Agency's HOS rules (49 CFR part 395) generally require operators of commercial motor vehicles (CMVs) transporting property to obtain 10 consecutive hours off duty before they can drive again after they accumulate the maximum 11 hours of driving or reach the end of the 14-hour duty period, whichever comes first (49 CFR 395.3). However, drivers whose CMV is equipped with a qualifying sleeper berth (S/B) may accumulate the equivalent of 10 consecutive hours off duty in two separate periods, one of at least 8 (but less than 10) consecutive hours in the S/B, and another of at least 2 consecutive hours off duty, whether in the S/B, off duty, or any combination thereof. It does not matter which of these two periods comes first. When the driver has obtained the two qualifying periods, the

S/B rule provides the driver more on-duty and driving time.

PTS transports sensitive Department of Defense (DOD) property, including ammunition and explosives, in interstate commerce. For security reasons, this transportation requires a team of two drivers. PTS seeks by exemption to allow its team drivers to split the equivalent of 10 hours off duty into two S/B periods, neither less than 4 hours long. This would allow splits of ¼, ⅓, or ½ hours. This request is limited to team operations and is in no way a request to apply any such exemption to solo driver operations.

PTS states that its team drivers travel over 1,100 miles per 24 hours, and average 60 hours on duty per week. After 5 weeks on the road, PTS drivers receive a week off duty at home. PTS asserts that due to the nature of its business, these drivers would be more alert if allowed to take shorter rest periods in the S/B. It believes that the shorter period would allow PTS drivers to obtain nighttime hours in the S/B and thereby minimize driver fatigue. PTS states that its vehicle and driver safety record is better than the national average and that it has one of the best safety, security, and service records of all DOD arms and ammunition transporters. All power units are equipped, and any new power units will be equipped, with on-board electronic recorders to track driving and on-duty time, and all power units are governed to 70 miles per hour.

IV. Method To Ensure an Equivalent or Greater Level of Safety

To ensure an equivalent level of safety, PTS offers to split 10 off-duty hours into two periods, neither less than 4 hours long. This would allow splits of ¼, ⅓, or ½ hours. In addition, the PTS request would be limited to team driver operations. PTS' exemption application references a study concerning the effects on sleep that found sleeper berth flexibility to be a better choice than consolidated daytime sleep when consolidated nighttime sleep is not possible. PTS referenced additional studies that identified sleeper berth flexibility as a contributor to normalizing sleeping patterns and reducing fatigue. PTS requests the exemption be granted for the maximum allowable period (5 years). A copy of PTS's application for exemption is available for review in the docket for this notice.

Issued on: October 9, 2019.

Larry W. Minor,

Associate Administrator for Policy.

[FR Doc. 2019-22502 Filed 10-15-19; 8:45 am]

BILLING CODE 4910-EX-P

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

Agency Information Collection Activities: Information Collection Revision; Comment Request; Regulation C—Home Mortgage Disclosure

AGENCY: Office of the Comptroller of the Currency (OCC), Treasury.

ACTION: Notice and request for comment.

SUMMARY: The OCC, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on a continuing information collection as required by the Paperwork Reduction Act of 1995 (PRA).

An agency may not conduct or sponsor, and respondents are not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number.

The OCC is soliciting comment concerning the revision of the information collection titled “Regulation C—Home Mortgage Disclosure.”

DATES: Comments must be submitted on or before December 16, 2019.

ADDRESSES: Commenters are encouraged to submit comments by email, if possible. You may submit comments by any of the following methods:

- *Email:* prainfo@occ.treas.gov.
- *Mail:* Chief Counsel’s Office,

Attention: Comment Processing, 1557–0345, Office of the Comptroller of the Currency, 400 7th Street SW, Suite 3E–218, Washington, DC 20219.

- *Hand Delivery/Courier:* 400 7th Street SW, Suite 3E–218, Washington, DC 20219.

- *Fax:* (571) 465–4326.

Instructions: You must include “OCC” as the agency name and 1557–0345, in your comment. In general, the OCC will publish comments on www.reginfo.gov without change, including any business or personal information provided, such as name and address information, email addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the

public record and subject to public disclosure. Do not include any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

You may review comments and other related materials that pertain to this information collection beginning on the date of publication of the second notice for this collection¹ by any of the following methods:

- *Viewing Comments Electronically:*

Go to www.reginfo.gov. Click on the “Information Collection Review” tab. Underneath the “Currently under Review” section heading, from the drop-down menu, select “Department of Treasury” and then click “submit.” This information collection can be located by searching by OMB control number “Regulation C—Home Mortgage Disclosure.” Upon finding the appropriate information collection, click on the related “ICR Reference Number.” On the next screen, select “View Supporting Statement and Other Documents” and then click on the link to any comment listed at the bottom of the screen.

- For assistance in navigating www.reginfo.gov, please contact the Regulatory Information Service Center at (202) 482–7340.

- *Viewing Comments Personally:* You may personally inspect comments at the OCC, 400 7th Street SW, Washington, DC. For security reasons, the OCC requires that visitors make an appointment to inspect comments. You may do so by calling (202) 649–6700 or, for persons who are deaf or hearing impaired, TTY, (202) 649–5597. Upon arrival, visitors will be required to present valid government-issued photo identification and submit to security screening in order to inspect comments.

FOR FURTHER INFORMATION CONTACT:

Shaquita Merritt, OCC Clearance Officer, (202) 649–5490 or, for persons who are deaf or hearing impaired, TTY, (202) 649–5597, Chief Counsel’s Office, Office of the Comptroller of the Currency, 400 7th Street SW, Washington, DC 20219.

SUPPLEMENTARY INFORMATION: Under the PRA (44 U.S.C. 3501 *et seq.*), federal agencies must obtain approval from the OMB for each collection of information that they conduct or sponsor. “Collection of information” is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) to include agency requests or requirements that members of the public submit reports, keep records, or provide

information to a third party. Section 3506(c)(2)(A) of title 44 requires Federal agencies to provide a 60-day notice in the **Federal Register** concerning each proposed collection of information, including each proposed revision of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, the OCC is publishing this notice.

Title: Regulation C—Home Mortgage Disclosure Act.

OMB Control Nos.: 1557–0345.

Type of Review: Regular review.

Description: Regulation C,² which implements the Home Mortgage Disclosure Act³ (HMDA) enacted in 1975, requires certain depository and non-depository institutions that make certain mortgage loans to collect, report, and disclose data about originations and purchases of mortgage loans, as well as loan applications that do not result in originations. HMDA generates loan data that can be used to: (1) Help determine whether financial institutions are serving the housing needs of their communities; (2) assist public officials in distributing public-sector investments so as to attract private investment to areas where it is needed; and (3) assist in identifying possible discriminatory lending patterns and enforcing anti-discrimination statutes.

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010⁴ (the Dodd-Frank Act) transferred the authority to administer HMDA, including rulemaking authority, from the Board of Governors of the Federal Reserve System (Board) to the Consumer Financial Protection Bureau (CFPB), and transferred supervisory and enforcement authority for HMDA for depository institutions over \$10 billion in consolidated assets from the Board, Federal Deposit Insurance Corporation, OCC, and National Credit Union Administration to the CFPB.

On May 13, 2019, the CFPB issued a proposed rule to amend Regulation C to adjust the coverage thresholds.⁵ The proposal sets out two alternatives to increasing the closed-end institutional and transitional coverage threshold—to either 50 or 100 closed-end mortgage loans in each of the preceding two calendar years. In addition, the temporary threshold of 500 open-end lines of credit for open-end institutional and transactional coverage would extend to January 1, 2022. After the temporary extension expires, the open-

² 12 CFR part 1003.

³ 12 U.S.C. 2801–2811.

⁴ Public Law 111–203, July 21, 2010.

⁵ 84 FR 20972.

¹ Following the close of this notice’s 60-day comment period, the OCC will publish a second notice with a 30-day comment period.

end threshold would be 200 open-end lines of credit in each of the preceding two calendar years.

Affected Public: Businesses or other for-profit.

Burden Estimates for 2020 and 2021:

Alternative A (threshold of 50 closed-end mortgage loans):

Estimated Number of Respondents: 518.

Estimated Annual Burden: 415,658 hours.

Frequency of Response: On occasion.

Alternative B (threshold of 100 closed-end mortgage loans):

Estimated Number of Respondents: 385.

Estimated Annual Burden: 395,395 hours.

Frequency of Response: On occasion.

Comments: Comments submitted in response to this notice will be summarized and included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on:

(a) Whether the collections of information are necessary for the proper performance of the functions of the OCC, including whether the information has practical utility;

(b) The accuracy of the OCC's estimates of the information collection burden;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected;

(d) Ways to minimize the burden of the collection 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.

Dated: October 9, 2019.

Theodore J. Dowd,

Deputy Chief Counsel, Office of the Comptroller of the Currency.

[FR Doc. 2019-22473 Filed 10-15-19; 8:45 am]

BILLING CODE 4810-33-P

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

Notice of OFAC Sanctions Action

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Notice.

SUMMARY: The Department of the Treasury's Office of Foreign Assets Control (OFAC) is updating the **Federal Register** notices for the entries of two persons on OFAC's Specially Designated Nationals and Blocked Persons List based on OFAC's determination that one or more applicable legal criteria were satisfied. All property and interests in property subject to U.S. jurisdiction of these persons are blocked, and U.S. persons are generally prohibited from engaging in transactions with them.

DATES: See **SUPPLEMENTARY INFORMATION** section for effective date(s).

FOR FURTHER INFORMATION CONTACT: OFAC: Associate Director for Global Targeting, tel.: 202-622-2420; Assistant Director for Sanctions Compliance & Evaluation, tel.: 202-622-2490; Assistant Director for Licensing, tel.: 202-622-2480; Assistant Director for Regulatory Affairs, tel.: 202-622-4855.

SUPPLEMENTARY INFORMATION:

Electronic Availability

The Specially Designated Nationals and Blocked Persons List and additional information concerning OFAC sanctions programs are available on OFAC's website (www.treasury.gov/ofac).

Notice of OFAC Action(s)

On October 10, 2019, OFAC determined that the property and interests in property subject to U.S. jurisdiction of the following entity are blocked under the relevant sanctions authorities listed below. OFAC is updating the **Federal Register** notice for the entry of one entity on OFAC's Specially Designated National and Blocked Persons List in order to identify the basis for designation for the entity listed below.

Entity

1. BAHMAN GROUP, No. 37, Saba Boulevard, Africa Street, P.O. Box 14335-835, Tehran 1917773844, Iran; website www.bahmangroup.com; Additional Sanctions Information—Subject to Secondary Sanctions [SDGT] [IFSR] (Linked To: ISLAMIC REVOLUTIONARY GUARD CORPS).

Designated pursuant to section 1(a)(iii)(C) of E.O. 13224, as amended, for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, the ISLAMIC REVOLUTIONARY GUARD CORPS, an entity whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

Additionally, on October 10, 2019, OFAC updated the entry on the Specially Designated Nationals and Blocked Persons List for the following individual, whose property and interests in property subject to U.S. jurisdiction continue to be blocked under the relevant sanctions authorities listed below.

Individual

1. ROSTAMIAN, Kambiz, Villa No 13, Cluster 31 Juemierah Islands, Dubai, United Arab Emirates; DOB 27 Aug 1960; Additional Sanctions Information—Subject to Secondary Sanctions; Passport RE0003026 (Saint Kitts and Nevis); alt. Passport I17217816 (Iran) (individual) [NPWMD] [IFSR].

-to-

ROSTAMIAN, Kambiz, Villa No 13, Cluster 31 Juemierah Islands, Dubai, United Arab Emirates; DOB 27 Aug 1960; Additional Sanctions Information—Subject to Secondary Sanctions; Passport RE0003028 (Saint Kitts and Nevis); alt. Passport I17217816 (Iran) (individual) [NPWMD] [IFSR].

Designated on February 3, 2017 pursuant to section 1(a)(iv) of E.O. 13382 for acting for or on behalf of MKS INTERNATIONAL CO. LTD. and ROYAL PEARL GENERAL T.R.D., entities whose property and interests in property are blocked pursuant to E.O. 13382.

Dated: October 10, 2019.

Andrea Gacki,

Director, Office of Foreign Assets Control.

[FR Doc. 2019-22499 Filed 10-15-19; 8:45 am]

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FEDERAL REGISTER

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Part II

Securities and Exchange Commission

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Disapproving a Proposed Rule Change, as Modified by Amendment No. 1, Relating to the Listing and Trading of Shares of the Bitwise Bitcoin ETF Trust Under NYSE Arca Rule 8.201-E; Notice

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–87267; File No. SR–NYSEArca–2019–01]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Disapproving a Proposed Rule Change, as Modified by Amendment No. 1, Relating to the Listing and Trading of Shares of the Bitwise Bitcoin ETF Trust Under NYSE Arca Rule 8.201–E

October 9, 2019.

I. Introduction

On January 28, 2019, NYSE Arca, Inc. (“NYSE Arca”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act”)¹ and Rule 19b–4 thereunder,² a proposed rule change to list and trade shares (“Shares”) of the Bitwise Bitcoin ETF Trust (“Trust”) under NYSE Arca Rule 8.201–E, Commodity-Based Trust Shares. The proposed rule change was published for comment in the **Federal Register** on February 15, 2019.³ On March 29, 2019, pursuant to Section 19(b)(2) of the Exchange Act,⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁵ The Commission received comment letters in response to the Original Notice.⁶

On May 7, 2019, NYSE Arca filed Amendment No. 1 to the proposed rule change, which replaced and superseded the proposed rule change as originally filed. On May 14, 2019, the Commission published the proposed rule change, as modified by Amendment No. 1, for notice and comment and instituted proceedings to determine whether to approve or disapprove the proposed rule change, as modified by Amendment No. 1.⁷ And on August 12, 2019, the Commission designated a longer period for Commission action on the proposed rule change.⁸ The Commission received additional comment letters in response to the Notice and OIP.⁹

Kumar (Mar. 29, 2019) (“Kumar Letter”); John Monterio (Mar. 30, 2019) (“Monterio Letter”); Bill Blake (Apr. 18, 2019) (“Blake Letter”). All comments on the proposed rule change can be found at: <https://www.sec.gov/comments/sr-nysearca-2019-01/srnysearca201901.htm>. Bitwise Asset Management also provided the Commission with a written presentation at a meeting on March 19, 2019. See Commission Staff Memorandum to File re: Meeting with Bitwise Asset Management, NYSE Arca, Inc., and Vedder Price P.C. (Mar. 20, 2019) (attaching Presentation to the Commission by Bitwise Asset Management (“Bitwise Submission I”)), available at <https://www.sec.gov/comments/sr-nysearca-2019-01/srnysearca201901-5164833-183434.pdf>.

⁷ See Securities Exchange Act Release No. 85854 (May 14, 2019), 84 FR 23125 (May 21, 2019) (“Notice and OIP”).

⁸ See Securities Exchange Act Release No. 86629 (Aug. 12, 2019), 84 FR 42036 (Aug. 16, 2019).

⁹ See Letters from Anonymous (May 14, 2019) (“Anonymous Letter I”); Avinash Shenoy (May 15, 2019) (“Shenoy Letter I”); Sam Ahn (May 15, 2019) (“Ahn Letter I”); Hu Liang, CEO, and Thomas Eid, General Counsel, Omniex Holdings, Inc. (May 16, 2019) (“Omniex Letter”); John Bird (May 18, 2019) (“Bird Letter”); John LeStarge (May 20, 2019) (“LeStarge Letter”); Justin Ross (May 20, 2019) (“J. Ross Letter”); Matthew Hougan, Hong Kim, and Micah Lerner, Bitwise Asset Management (May 24, 2019) (“Bitwise Submission II”); Louise Fitzgerald (May 31, 2019) (“Fitzgerald Letter I”); Fan Xia (June 7, 2019) (“Xia Letter”); Kristin Smith, Blockchain Association (June 10, 2019) (“Blockchain Association Letter”); Stephen McKeon, Assoc. Professor of Finance, University of Oregon, Partner, Collaborative Fund (June 11, 2019) (“Collaborative Fund Letter”); Sam McIngvale, Chief Executive Officer, Coinbase Custody Trust Company, LLC (June 11, 2019) (“Coinbase Custody Letter”); James C. Wiandt, Donostia Ventures LLC (June 11, 2019) (“Donostia Ventures Letter”); Matthew Hougan, Hong Kim, and Micah Lerner, Bitwise Asset Management, Annotated Commentary on the Winklevoss Order (June 11, 2019) (“Bitwise Submission III”); Matthew Hougan, Global Head of Research, Bitwise Asset Management, CFE Futures Question (June 11, 2019) (“Bitwise Submission IV”); Matthew Hougan, Global Head of Research, Bitwise Asset Management, Bitfinex Question (June 11, 2019) (“Bitwise Submission V”); Bart Mallon, Co-Managing Partner, Cole-Frieman & Mallon LLP (June 12, 2019) (“Mallon Letter”); Robert (June 13, 2019) (“Robert Letter”); Sam Ahn (June 18, 2019) (“Ahn Letter II”); Sam Ahn (June 20, 2019) (“Ahn Letter III”); Matthew P. Walsh, Founding Partner, Castle Island Ventures (June 23, 2019) (“Castle Island Ventures Letter”); Spencer Bogart, General Partner, Blockchain Capital (June 24, 2019) (“Blockchain Capital Letter”); Scott Page (July 5, 2019) (“Page Letter”); Bill Blake (July 16, 2019) (“Blake Letter”); Tagomi Holdings Inc. (Sept. 18,

This order disapproves the proposed rule change, as modified by Amendment No. 1. Although the Commission is disapproving this proposed rule change, the Commission emphasizes that its disapproval does not rest on an evaluation of whether bitcoin,¹⁰ or blockchain technology more generally, has utility or value as an innovation or an investment. Rather, the Commission is disapproving this proposed rule change because, as discussed below, NYSE Arca has not met its burden under the Exchange Act and the Commission’s Rules of Practice to demonstrate that its proposal is consistent with the requirements of Exchange Act Section 6(b)(5), and, in particular, the requirement that the rules of a national securities exchange be “designed to prevent fraudulent and manipulative acts and practices.”¹¹

When considering whether NYSE Arca’s proposal to list the Shares is designed to prevent fraudulent and manipulative acts and practices, the Commission has applied the same analysis used in its orders considering previous proposals to list a bitcoin-based commodity trust—the “Winklevoss Order”—and bitcoin-based trust issued receipts.¹² For example, in

2019) (“Tagomi Letter”); Patrick Neal (Sept. 24, 2019) (“Neal Letter”). All comments on the proposed rule change, as modified by Amendment No. 1 can be found at: <https://www.sec.gov/comments/sr-nysearca-2019-01/srnysearca201901.htm>. Bitwise Asset Management also provided the Commission with a written presentation at a meeting on September 12, 2019. See Commission Staff Memorandum to File re: Meeting with Bitwise Asset Management, Inc., NYSE Arca, Inc., Vedder Price P.C., and Wilson Sonsini Goodrich & Rosati (Sept. 17, 2019) (attaching Presentation to the Commission by Bitwise Asset Management (“Bitwise Submission VI”)), available at <https://www.sec.gov/comments/sr-nysearca-2019-01/srnysearca201901-6135582-192240.pdf>.

¹⁰ Bitcoins are digital assets that are issued and transferred via a decentralized, open-source protocol used by a peer-to-peer computer network through which transactions are recorded on a public transaction ledger known as the “Bitcoin Blockchain.” The Bitcoin protocol governs the creation of new bitcoins and the cryptographic system that secures and verifies bitcoin transactions. The proposed rule change, as modified by Amendment No. 1, describes the exchange-traded product’s underlying asset as a “digital asset” and as a “commodity,” see Notice and OIP, *supra* note 7, 84 FR at 23127–28, and describes the exchange-traded product as a Commodity-Based Trust. For the purpose of considering this proposal, this order describes a bitcoin as a “digital asset” and as a commodity.

¹¹ 15 U.S.C. 78f(b)(5).

¹² See Order Setting Aside Action by Delegated Authority and Disapproving a Proposed Rule Change, as Modified by Amendments No. 1 and 2, To List and Trade Shares of the Winklevoss Bitcoin Trust, Securities Exchange Act Release No. 83723 (July 26, 2018), 83 FR 37579 (Aug. 1, 2018) (SR–BatsBZX–2016–30). The Commission also notes that orders were issued by delegated authority on the following matters, which are under review before

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 85093 (Feb. 11, 2019), 84 FR 4589 (Feb. 15, 2019) (“Original Notice”).

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 85461 (Mar. 29, 2019), 84 FR 13339 (Apr. 4, 2019). The Commission designated May 16, 2019, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

⁶ See Letters from Anonymous (Feb. 15, 2019) (“Anonymous Letter I”); Roald Johansson (Feb. 15, 2019) (“Johansson Letter”); Samantha Puddifoot (Feb. 17, 2019) (“Puddifoot Letter”); Paul Jones (Feb. 17, 2019) (“Jones Letter”); Nayna Mallya (Feb. 18, 2019) (“Mallya Letter”); Chris (Feb. 18, 2019) (“Chris Letter”); Avinash Shenoy (Feb. 18, 2019) (“Shenoy Letter I”); Sami dos Santos (Feb. 18, 2019) (“Santos Letter”); Vineet Jain (Feb. 19, 2019) (“Jain Letter”); Adam Malkin (Feb. 19, 2019) (“Malkin Letter”); James Perrott (Feb. 19, 2019) (“Perrott Letter”); Sarah Malone (Mar. 6, 2019) (“Malone Letter”); Anthony Darwin (Mar. 6, 2019) (“Darwin Letter”); D. Barnwell (Mar. 6, 2019) (“Barnwell Letter”); Dina Pinto (Mar. 6, 2019) (“Pinto Letter”); Louise Fitzgerald (Mar. 19, 2019) (“Fitzgerald Letter I”); Hugh Neil (Mar. 23, 2019) (“Neil Letter”); Martyn Denscombe (Mar. 23, 2019) (“Denscombe Letter”); Carl Ross (Mar. 23, 2019) (“C. Ross Letter”); Rob (Mar. 24, 2019) (“Rob Letter”); Emma Buckley (Mar. 25, 2019) (“Buckley Letter”); Paul Arssov (Mar. 27, 2019) (“Arssov Letter”); Shruvan

the Winklevoss Order, the Commission explained that, although surveillance-sharing agreements with markets relating to underlying assets are not the exclusive means by which an exchange-traded product (“ETP”) listing exchange can meet its obligations under Exchange Act Section 6(b)(5), such agreements are a widely used means for exchanges that list ETPs to meet their obligations, and the Commission has long recognized their importance.¹³ The Commission found in the Winklevoss Order and in orders considering bitcoin-based trust issued receipts, that, if the listing exchange for an ETP fails to establish that the underlying commodity market is inherently resistant to fraud and manipulation,¹⁴ or that other means to prevent fraudulent and manipulative acts and practices will be sufficient, the listing exchange must enter into a surveillance-sharing agreement with a

the Commission: Order Disapproving a Proposed Rule Change to List and Trade the Shares of the ProShares Bitcoin ETF and the ProShares Short Bitcoin ETF, Securities Exchange Act Release No. 83904 (Aug. 22, 2018), 83 FR 43934 (Aug. 28, 2018) (NYSEArca–2017–139) (“ProShares Order”); Order Disapproving a Proposed Rule Change Relating to Listing and Trading of the Direxion Daily Bitcoin Bear 1X Shares, Direxion Daily Bitcoin 1.25X Bull Shares, Direxion Daily Bitcoin 1.5X Bull Shares, Direxion Daily Bitcoin 2X Bull Shares, and Direxion Daily Bitcoin 2X Bear Shares Under NYSE Arca Rule 8.200–E, Securities Exchange Act Release No. 83912 (Aug. 22, 2018), 83 FR 43912 (Aug. 28, 2018) (SR–NYSEArca–2018–02) (“Direxion Order”); and Order Disapproving a Proposed Rule Change to List and Trade the Shares of the GraniteShares Bitcoin ETF and the GraniteShares Short Bitcoin ETF, Securities Exchange Act Release No. 83913 (Aug. 22, 2018), 83 FR 43923 (Aug. 28, 2018) (SR–CboeBZX–2018–001) (“GraniteShares Order”).

¹³ See Winklevoss Order, *supra* note 12, 83 FR at 37580. See also *id.* at 37592 n.202 and accompanying text (discussing previous Commission approvals of commodity-trust ETPs); GraniteShares Order, *supra* note 12, 83 FR at 43925–27 nn.35–39 and accompanying text (discussing previous Commission approvals of commodity-futures ETPs). The hallmarks of a surveillance-sharing agreement are that the agreement provides for the sharing of information about market trading activity, clearing activity, and customer identity; that the parties to the agreement have reasonable ability to obtain access to and produce requested information; and that no existing rules, laws, or practices would impede one party to the agreement from obtaining this information from, or producing it to, the other party. See Winklevoss Order, *supra* note 12, 83 FR at 37592–93.

¹⁴ Winklevoss Order, *supra* note 12, 83 FR at 37582. While the Commission has not applied a “cannot be manipulated” standard to such proposals, the burden is on the listing exchange to demonstrate the validity of its contention that the underlying market is uniquely resistant to market manipulation and fraudulent activity and to establish that the requirements of the Exchange Act have been met. See *id.* In the Winklevoss Order, the Commission found that, even if the record had supported the proposition that some features of bitcoin and bitcoin markets mitigate some types of manipulation to some degree, such mitigation would be insufficient to justify dispensing with the detection and deterrence of fraud and manipulation provided by surveillance-sharing agreements with significant, regulated markets. See *id.* at 37586.

regulated market of significant size relating to the underlying or reference assets since “[s]uch agreements provide a necessary deterrent to manipulation because they facilitate the availability of information needed to fully investigate a manipulation if it were to occur.”¹⁵

The listing exchange must enter into a surveillance-sharing agreement with a regulated market of significant size relating to the underlying or reference assets. In this context, the terms “significant market” and “market of significant size” include a market (or group of markets) as to which (a) there is a reasonable likelihood that a person attempting to manipulate the ETP would also have to trade on that market to successfully manipulate the ETP, so that a surveillance-sharing agreement would assist in detecting and deterring misconduct, and (b) it is unlikely that trading in the ETP would be the predominant influence on prices in that market.¹⁶ Thus, a surveillance-sharing agreement must be entered into with a “significant market” to assist in detecting and deterring manipulation of the ETP, because a person attempting to manipulate the ETP is reasonably likely to also engage in trading activity on that “significant market.” Consistent with these principles, for the commodity-trust ETPs approved to date for listing and trading, there has been in every case at least one significant, regulated market for trading futures on the underlying commodity, and the ETP listing exchange has entered into surveillance-sharing agreements with, or held Intermarket Surveillance Group membership in common with, that market.¹⁷

As discussed further below, Bitwise Asset Management, Inc. (collectively with its affiliates, “the Sponsor”)¹⁸

¹⁵ *Id.* at 37580 (citing Amendment to Rule Filing Requirements for Self-Regulatory Organizations Regarding New Derivative Securities Products, Securities Exchange Act Release No. 40761 (Dec. 8, 1998), 63 FR 70952, 70954, 70959 (Dec. 22, 1998) (File No. S7–13–98)). See also ProShares Order, *supra* note 12, 83 FR at 43936; Direxion Order, *supra* note 12, 83 FR at 43914; GraniteShares Order, *supra* note 12, 83 FR at 43924. The Commission has stated that it considers two markets that are members of the Intermarket Surveillance Group to have a comprehensive surveillance-sharing agreement with one another, even if they do not have a separate bilateral surveillance-sharing agreement. See Winklevoss Order, *supra* note 12, 83 FR at 37580 n.19.

¹⁶ See Winklevoss Order, *supra* note 12, 83 FR at 37594. This definition is illustrative and not exclusive. There could be other types of “significant markets” and “markets of significant size,” but this definition is an example that will provide guidance to market participants. See *id.*

¹⁷ See *id.*

¹⁸ Amendment No. 1 identifies Bitwise Investment Advisers, LLC as the Sponsor, see Notice and OIP, *supra* note 7, 84 FR at 23126.

argues that the proposal addresses the Commission’s analysis because (1) the “real” bitcoin spot market—as opposed to the “fake” and non-economic bitcoin spot market—and the Trust’s net asset value (“NAV”) process are each uniquely resistant to market manipulation and fraudulent activity; and (2) NYSE Arca has entered into a surveillance-sharing agreement with a regulated bitcoin futures market of significant size.¹⁹ As support for its propositions, the Sponsor has presented an analysis of the bitcoin spot market that asserts that a small set of identified platforms have “real” trading volume, unlike the remaining 95% of the spot bitcoin market, which the Sponsor asserts is dominated by fake and non-economic activity, such as wash trades.²⁰ The Sponsor would base its pricing mechanism for the proposed ETP on this purportedly “real” segment of the market, and the Sponsor’s analyses and comments focus solely on this segment of the market when asserting that the underlying bitcoin market is uniquely resistant to manipulation.²¹ Additionally, NYSE Arca asserts that its existing surveillance procedures are adequate to properly monitor trading of the Shares and to detect and deter violations of NYSE Arca’s rules and federal securities laws,²² and that approval of the proposal would be consistent with the protection of investors and the public interest.²³

Accordingly, the Commission examines below whether the proposed rule change, as modified by Amendment No. 1, is consistent with Section 6(b)(5) of the Exchange Act by addressing in Section III.B.1 below assertions that

Bitwise Asset Management, Inc. authored the comment letters and presentations submitted on behalf of the Sponsor in support of NYSE Arca’s proposal. For purposes of this Order, the Sponsor’s affiliate Bitwise Index Services, LLC will also be referred to as the Sponsor.

¹⁹ See *id.* at 23128, 23134; Bitwise Submission I, *supra* note 6, at 84; Bitwise Submission III, *supra* note 9, at 51. With respect to key elements of its proposal—such as several assertions about the nature of the underlying bitcoin markets and their susceptibility to manipulation—NYSE Arca conveys the position of the Sponsor. This Order will therefore address statements in the Notice and OIP that recount what the Sponsor asserts along with other representations and comments by the Sponsor.

²⁰ See Bitwise Submission I, *supra* note 6, at 23, 60; Bitwise Submission II, *supra* note 9, at 2, 34–36. See *infra* Section III.B.1(c) for discussion of the Sponsor’s methodology for distinguishing “real” trading volume from fake and non-economic activity.

²¹ See Bitwise Submission I, *supra* note 6, at 67–69, 91, 118; Bitwise Submission II, *supra* note 9, at 13.

²² See Notice and OIP, *supra* note 7, 84 FR at 23136.

²³ See *id.*

bitcoin and the relevant bitcoin market are uniquely resistant to manipulation and fraudulent activity; addressing in Section III.B.2 below assertions that other means are available to prevent fraudulent and manipulative activity in the Shares; addressing in Section III.B.3 below assertions that NYSE Arca has entered into a surveillance-sharing agreement with a regulated market of significant size related to bitcoin; and addressing in Section III.C below assertions that the proposal is consistent with the protection of investors and the public interest. Because, among other things, the Sponsor has asserted that 95% of the bitcoin spot market consists of fake and non-economic activity, but has not established that it has in fact identified the “real” bitcoin market, or that the “real” bitcoin market is isolated from the fraudulent and manipulative activity, we find, in each case, that NYSE Arca has not met its burden to demonstrate that its proposal is consistent with the requirements of Exchange Act Section 6(b)(5), and therefore the Commission disapproves this proposed rule change.

II. Description of the Proposed Rule Change, as Modified by Amendment No. 1

As described in detail in the Notice and OIP,²⁴ NYSE Arca proposes to list and trade the Shares under NYSE Arca Rule 8.201–E, which covers the listing and trading of Commodity-Based Trust Shares on NYSE Arca.²⁵ Bitwise Investment Advisers, LLC would be the Sponsor of the Trust.²⁶

According to NYSE Arca, the investment objective of the Trust would be to provide exposure to bitcoin at a price that reflects the purportedly “real” bitcoin spot market—as opposed to the “fake” and non-economic bitcoin market²⁷—where investors can purchase and sell bitcoin, minus the expenses of the Trust’s operation.²⁸ The Trust would use the Bitwise Daily

Bitcoin Reference Price to calculate its daily NAV, and the Sponsor would produce the Bitwise Daily Bitcoin Reference Price once per day at 4:00 p.m. E.T., using the prices and volume from selected platforms that trade bitcoin in the bitcoin spot market (“platforms” or “trading platforms”) that the Sponsor asserts currently account for substantially all of the “real” spot global volume of bitcoin traded on such platforms, excluding trading in capital-controlled countries.²⁹ To calculate the Bitwise Daily Bitcoin Reference Price, the Sponsor would examine six five-minute periods leading up to 4:00 p.m. E.T., calculate the volume-weighted median price of each of these periods, and then calculate an equal-weighted average of the six volume-weighted median prices.³⁰

NYSE Arca would also calculate an intraday indicative value (“IIV”) every fifteen seconds during the core trading day, based on the Bitwise Real-Time Bitcoin Price. The Sponsor would calculate the Bitwise Real-Time Bitcoin Price from the same set of selected platforms with purportedly “real” volume, using a volume-weighted price methodology. Instead of equally weighting prices captured over six five-minute periods, however, the Bitwise Real-Time Bitcoin Price would use only the price from the last trade on each platform, and it would use the trailing thirty-minute volume on those platforms as a weighting factor.³¹

III. Discussion

A. The Applicable Standard for Review

The Commission must consider whether NYSE Arca’s proposal is consistent with Exchange Act Section 6(b)(5), which requires, in relevant part, that the rules of a national securities exchange be designed “to prevent fraudulent and manipulative acts and practices” and “to protect investors and

the public interest.”³² Under the Commission’s Rules of Practice, the “burden to demonstrate that a proposed rule change is consistent with the Exchange Act and the rules and regulations issued thereunder . . . is on the self-regulatory organization [“SRO”] that proposed the rule change.”³³

The description of a proposed rule change, its purpose and operation, its effect, and a legal analysis of its consistency with applicable requirements must all be sufficiently detailed and specific to support an affirmative Commission finding,³⁴ and any failure of an SRO to provide this information may result in the Commission not having a sufficient basis to make an affirmative finding that a proposed rule change is consistent with the Exchange Act and the applicable rules and regulations.³⁵ Moreover, “unquestioning reliance” on an SRO’s representations in a proposed rule change is not sufficient to justify Commission approval of a proposed rule change.³⁶

B. Whether NYSE Arca Has Met Its Burden To Demonstrate That the Proposal Is Designed To Prevent Fraudulent and Manipulative Acts and Practices

In analyzing whether the NYSE Arca has met its burden to demonstrate that its proposal is consistent with Exchange Act Section 6(b)(5), the Commission examines below whether the record supports the Sponsor’s assertions that bitcoin and the relevant bitcoin market are uniquely resistant to manipulation

³² 15 U.S.C. 78f(b)(5). Pursuant to Section 19(b)(2) of the Exchange Act, 15 U.S.C. 78s(b)(2), the Commission must disapprove a proposed rule change filed by a national securities exchange if it does not find that the proposed rule change is consistent with the applicable requirements of the Exchange Act. Exchange Act Section 6(b)(5) states that an exchange shall not be registered as a national securities exchange unless the Commission determines that “[t]he rules of the exchange are 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; and are not designed to permit unfair discrimination between customers, issuers, brokers, or dealers, or to regulate by virtue of any authority conferred by this title matters not related to the purposes of this title or the administration of the exchange.” 15 U.S.C. 78f(b)(5).

³³ Rule 700(b)(3), Commission Rules of Practice, 17 CFR 201.700(b)(3).

³⁴ See *id.*

³⁵ See *id.*

³⁶ *Susquehanna Int’l Group, LLP v. Securities and Exchange Commission*, 866 F.3d 442, 447 (D.C. Cir. 2017).

²⁴ See Notice and OIP, *supra* note 7.

²⁵ See NYSE Arca Rule 8.201–E (permitting the listing and trading of “Commodity-Based Trust Shares,” defined as a security (a) that is issued by a trust that holds a specified commodity deposited with the trust; (b) that is issued by such trust in a specified aggregate minimum number in return for a deposit of a quantity of the underlying commodity; and (c) that, when aggregated in the same specified minimum number, may be redeemed at a holder’s request by such trust, which will deliver to the redeeming holder the quantity of the underlying commodity).

²⁶ See Notice and OIP, *supra* note 7, 84 FR at 23126.

²⁷ See *infra* Section III.B.1(c)(i) (describing the Sponsor’s assertions about the nature and extent of “fake” and non-economic trading in the bitcoin market).

²⁸ See Notice and OIP, *supra* note 7, 84 FR at 23126.

²⁹ NYSE Arca, the Sponsor, and other commenters may refer to the spot trading of bitcoin on “exchanges.” The platforms that trade bitcoin in the bitcoin spot market are not registered with the Commission as national securities exchanges. See Sections 5 and 6 of the Exchange Act, 15 U.S.C. 78e, 78f.

³⁰ See Notice and OIP, *supra* note 7, 84 FR at 23131. See also *id.* at 23130 n.20 (describing the reduction in the number of platforms used to calculate the Bitwise Daily Bitcoin Reference Price from ten to nine).

³¹ See *id.* at 23132. Further details regarding the Trust and the Shares, including investment strategies, calculation of NAV and IIV, creation and redemption procedures, and additional background information about bitcoins and the Bitcoin network, among other things, can be found in the Notice and OIP (see *supra* note 7) and the registration statement filed with the Commission on Form S–1/A (File No. 333–229180) under the Securities Act of 1933 (“Registration Statement”), as applicable.

and fraudulent activity such that a sufficient surveillance-sharing agreement is unnecessary. *See infra* Section III.B.1. The Commission first addresses whether the record demonstrates that the inherent properties of bitcoin would make the proposed ETP uniquely resistant to manipulation. *See infra* Section III.B.1(a). The Commission next addresses the Sponsor's contention that, based on its analysis, "when fake and/or non-economic data is removed, the remaining or 'real' market for bitcoin is significantly smaller, more orderly and more regulated than commonly understood,"³⁷ and whether, focusing solely on the asserted characteristics of the "real" market for bitcoin, the record demonstrates that the nature of the "real" spot market for bitcoin would make the proposed ETP uniquely resistant to manipulation. *See infra* Section III.B.1(b). The Commission then addresses whether the record demonstrates that the Sponsor, through its analysis, has shown that the "real" spot market for bitcoin is isolated from other trading platforms that may be dominated by fake or non-economic trading, such that the proposed ETP based on those trading platforms in the identified "real" market would be uniquely resistant to manipulation. *See infra* Section III.B.1(c). The Commission also considers whether the record demonstrates that any additional aspects of the Trust and its methods for determining NAV, handling creations and redemptions, and calculating fees (*see infra* Section III.B.1(d)), or NYSE Arca's rules, including its surveillance procedures (*see infra* Section III.B.2), would provide sufficient means to prevent fraud and manipulation. The Commission concludes that NYSE Arca has not demonstrated that a surveillance-sharing agreement with a significant, regulated market is unnecessary.

The Commission then examines whether the record supports the Sponsor's assertion that the bitcoin futures market, as represented by bitcoin futures listed and traded on the Chicago Mercantile Exchange ("CME"), is a significant, regulated market, such that a surveillance-sharing agreement with that market would provide a necessary deterrent to manipulation because it would facilitate the availability of information needed to fully investigate a manipulation if it were to occur.³⁸ *See infra* Section III.B.3.

The Commission addresses the Sponsor's comparison of the size of the bitcoin futures and spot markets and the Sponsor's representations about the correlation of prices between these markets, as well as whether the record establishes that there is a reasonable likelihood that a person attempting to manipulate the proposed ETP would also have to trade on the bitcoin futures market to manipulate the proposed ETP. The Commission concludes that—because NYSE Arca has not demonstrated that the bitcoin futures market is "significant," as the Commission has interpreted that term in this context³⁹—NYSE Arca has not met its burden to demonstrate that its proposal is consistent with Exchange Act Section 6(b)(5). Finally, the Commission addresses and rejects other factors that the Sponsor contends support approval. *See infra* Section III.B.4.

1. Assertions That Bitcoin and the Bitcoin Market Are Uniquely Resistant to Market Manipulation and Fraudulent Activity

(a) The Sponsor's Assertions About the Inherent Properties of Bitcoin

(i) Representations Made and Comments Received

The Sponsor argues that the digital nature of bitcoin makes it unique compared to other commodities in three important ways—fungibility, transportability, and "exchange tradability"—that combine to provide unique protections against, and allow bitcoin to be uniquely resistant to, attempts at price manipulation.⁴⁰ The Sponsor represents that bitcoin is a globally fungible commodity with low transaction costs, near-zero transportation costs that allow nearly instantaneous transportation, and low-to-zero storage costs.⁴¹ According to the Sponsor, bitcoin is globally fungible because a bitcoin is the same anywhere in the world.⁴² In addition, a commenter

notes that the CFE ceased offering new bitcoin futures contracts as of March 2019. *See* New CFE Products Being Added in March 2019—Update, Cboe (Mar. 14, 2019), available at https://markets.cboe.com/resources/product_update/2019/New-CFE-Products-Being-Added-in-March-2019-Update.pdf (last visited Oct. 7, 2019).

³⁷ *See supra* note 16 and accompanying text.

³⁸ *See* Notice and OIP, *supra* note 7, 84 FR at 23133; Bitwise Submission I, *supra* note 6, at 114; Bitwise Submission III, *supra* note 9, at 47. *See also* Omniex Letter, *supra* note 9, at 4 (stating that, as the Sponsor has detailed, the digital nature of bitcoin makes it unique due to "exchange-tradability," fungibility, and transportability).

³⁹ *See* Notice and OIP, *supra* note 7, 84 FR at 23128; Bitwise Submission I, *supra* note 6, at 14.

⁴⁰ *See* Notice and OIP, *supra* note 7, 84 FR at 23128; Bitwise Submission I, *supra* note 6, at 15.

compares the fungibility of bitcoin to that of gold and states that this fungibility reduces the overhead costs of evaluating the qualities of each asset to arrive at a fair price.⁴³

The Sponsor represents that bitcoin is inherently transportable at a cost approaching zero and can be safely stored at established, regulated third-party custodians, in a "limitless" amount, at costs of 0% to 1.5% a year.⁴⁴ A commenter states that bitcoin's portability is a valuable and unprecedented attribute and states that bitcoin can be quickly and easily transferred anywhere in the world.⁴⁵ While the Sponsor points to spreads of \$0.01 on certain bitcoin platforms as evidence of low transaction costs,⁴⁶ when discussing the limitations of arbitrage quality in the bitcoin market, the Sponsor also acknowledges the presence of certain frictions, including trading fees, withdrawal fees, withdrawal times and hedging costs, risk of default or computer hacking, and difficulties operating across different countries and fiat currencies.⁴⁷

The Sponsor argues that having price discovery for bitcoin conducted on the open market—bitcoin's purported "exchange tradability"—makes bitcoin unique as compared to other commodities that have their prices set using off-market, "coordinated fix pricing."⁴⁸ The Sponsor points to recent market manipulation scandals that it states were driven by coordinated fix pricing, including those related to the London Interbank Offered Rate ("LIBOR") in 2012, global forex in 2013, the gold fix in 2014, and the Australian

⁴³ *See* Blockchain Capital Letter, *supra* note 9, at 6.

⁴⁴ *See* Notice and OIP, *supra* note 7, 84 FR at 23129; Bitwise Submission I, *supra* note 6, at 17–18; Bitwise Submission II, *supra* note 9, at 2.

⁴⁵ *See* Blockchain Capital Letter, *supra* note 9, at 5–6 (noting that bitcoin's reduced transaction fees and accelerated transaction timeframe lower barriers to enter the market).

⁴⁶ *See* Notice and OIP, *supra* note 7, 84 FR at 23129; Bitwise Submission I, *supra* note 6, at 16.

⁴⁷ *See* Bitwise Submission II, *supra* note 9, at 65–66 (describing trading fees on two bitcoin platforms that range from 0.00% to 0.25% and withdrawal fees that "can range from a little to a lot," including 3% for substantial U.S. dollar withdrawals on one bitcoin platform). The Sponsor represents that the U.S. dollar, Euro, and Japanese Yen are examples of fiat currencies. *See id.* at 15.

⁴⁸ *See* Notice and OIP, *supra* note 7, 84 FR at 23133; Bitwise Submission III, *supra* note 9, at 47, 137. The Sponsor acknowledges that conducting price discovery in an open, transparent, online setting introduces risks, but asserts that these risks must be weighed against the benefits of open price discovery and can be controlled through the design of the Trust. *See* Notice and OIP, *supra* note 7, 84 FR at 23133; Bitwise Submission III, *supra* note 9, at 137.

³⁷ Notice and OIP, *supra* note 7, 84 FR at 23129.

³⁸ The Sponsor's arguments address both trading on the CME and the Cboe Futures Exchange ("CFE"), *see, e.g., id.* at 23134, but the Commission

Bank Bill Swap Rate in 2016.⁴⁹ In addition, the Sponsor asserts that bitcoin's lack of a physical delivery location makes it unique and prevents cornering, a form of manipulation in the commodities market.⁵⁰

(ii) Analysis

The Commission concludes that the record does not demonstrate that bitcoin's asserted fungibility, transportability, and "exchange-tradability" make bitcoin uniquely resistant to manipulation. The manipulation of asset prices can occur through trading activity that creates a false impression of supply or demand,⁵¹ and the Commission concludes that the Sponsor's concessions that 95% of the reported trading in bitcoin is "fake" or non-economic (including wash trading or trading that is simply fabricated)⁵²—and that the early bitcoin market may have been subject to market manipulation⁵³—effectively concede that the properties of bitcoin do not make it inherently resistant to manipulation.⁵⁴

Moreover, contrary to the Sponsor's argument, the Commission does not agree that the relative fungibility of an asset makes it inherently resistant to manipulation and notes that fungible assets, such as securities and exchange-

traded derivatives, trade subject to substantial regulatory oversight and surveillance-sharing agreements that would be unnecessary if fungibility were sufficient protection against manipulation.⁵⁵ Further, transportation and storage costs for bitcoin are not zero, contrary to the Sponsor's claims,⁵⁶ as bitcoin mining and recording transactions to the blockchain have costs. Bitcoin mining involves significant costs for electrical power and computer hardware, and the Sponsor acknowledges that bitcoin is subject to transaction fees charged by trading platforms, withdrawal fees, expenses for custody arrangements, and other factors that impose frictions on trading.⁵⁷ The Sponsor also points to the presence of a spread on bitcoin platforms,⁵⁸ which, even if small, indicates the presence of trading costs. Therefore claims in the record about bitcoin's fungibility and transportability do not suffice to establish unique resistance to manipulation.⁵⁹

While the Sponsor attempts to distinguish bitcoin from certain commodities that have their prices set using off-market, coordinated fix pricing and asserts that bitcoin's use of prices set in the open market makes it uniquely resistant to certain forms of manipulation that have been witnessed with such commodities,⁶⁰ the Commission has required the listing exchange for a derivatives securities product to have a surveillance-sharing agreement even where the underlying was exchange-traded.⁶¹ And, as discussed further below,⁶² NYSE Arca

has not demonstrated that the bitcoin market itself, or the segment of the market used for the proposed ETP's pricing mechanism, is uniquely resistant to manipulation. Thus, the Commission cannot conclude that the nature of bitcoin itself would make the proposed ETP uniquely resistant to manipulation, such that a surveillance-sharing agreement with a significant, regulated market would not be required.

(b) The Sponsor's Assertions About the Nature of the Spot Market for Bitcoin

The Sponsor contends that it has identified a "real" spot market for bitcoin that is isolated from the remaining 95% of the bitcoin spot market, which the Sponsor asserts is dominated by "fake" or non-economic trading, and the Sponsors proffers its methodology for distinguishing this "real" bitcoin trading from fake or non-economic bitcoin trading. In this subsection of the order, the Commission analyzes the Sponsor's claims regarding the "real" spot market as identified by the Sponsor and examines whether the record demonstrates that the nature of trading in, and the degree of regulation of, this "real" bitcoin spot market make it uniquely resistant to manipulation. And, in the following subsection of this order,⁶³ the Commission analyzes the Sponsor's proffered methodology for isolating "real" bitcoin trading activity from fake or non-economic activity—an analysis that bears on the nature of the spot market for bitcoin considered in this section, because the purportedly "real" bitcoin spot market that the Sponsor identifies cannot be uniquely resistant to manipulation unless it is free from the influence of prices derived from fake or non-economic trading, or fraudulent or manipulative activity, in the broader bitcoin market.

(i) Representations Made and Comments Received

(A) The Sponsor's Assertions Regarding Arbitrage and Efficiency in the Bitcoin Spot Market

The Sponsor asserts that, once fake and non-economic trading have been removed, the remaining "real" market for bitcoin, as identified by the Sponsor's research, is significantly smaller, more orderly, and more regulated "than commonly understood," and moreover, that this "real" market is uniquely resistant to manipulation.⁶⁴ The Sponsor asserts that bitcoin trades at a single price on "real" trading

⁴⁹ See Notice and OIP, *supra* note 7, 84 FR at 23133; Bitwise Submission I, *supra* note 9, at 116; Bitwise Submission III, *supra* note 9, at 137.

⁵⁰ See Notice and OIP, *supra* note 7, 84 FR at 23133; Bitwise Submission III, *supra* note 9, at 47. For example, Amendment No. 1 states that, in May 2011, the U.S. Commodity Futures Trading Commission ("CFTC") filed suit against trading firms for attempting to manipulate the price of oil by cornering the market for oil storage in Cushing, Oklahoma. See Notice and OIP, *supra* note 7, 84 FR at 23133. According to Amendment No. 1, a disconnect between the size of the storage market in the reference price market (Cushing) and the much larger real market for WTI crude oil created an opportunity for individuals and firms to attempt to profit from artificially manipulating the small market for storage while holding larger positions in the underlying commodity. See *id.* at 23133.

⁵¹ See Winklevoss Order, *supra* note 12, 83 FR at 37585.

⁵² See Bitwise Submission I, *supra* note 6, at 23; Bitwise Submission II, *supra* note 9, at 2, 35–36. A "wash trade" is a transaction such as a purchase and sale simultaneously or within a short period of time, that involves no changes in beneficial ownership, and is a means of creating artificial market activity. See *In re Silseth*, Release No. 7317, 1996 WL 427988, at *1 & n.3 (July 30, 1996); *Reddy v. CFTC*, 191 F.3d 109, 115 (2d Cir. 1999). Wash trading is manipulative and defrauds investors. See *id.*; *Santa Fe Indus., Inc. v. Green*, 430 U.S. 462, 476–77 (1977); *Ernst & Ernst v. Hochfelder*, 425 U.S. 185, 199 (1976).

⁵³ See Bitwise Submission III, *supra* note 9, at 49 (describing reports of manipulation at the failed Mt. Gox platform in 2013).

⁵⁴ The Commission also notes that several commenters have asserted that bitcoin prices can be manipulated. See *infra* notes 69–73 and accompanying text.

⁵⁵ The Commission notes that, while the Sponsor asserts that bitcoin is fungible to the degree that it is "the same anywhere in the world" and that all bitcoin are treated equally, see *supra* notes 40–43 and accompanying text, if a market participant seeks to trade bitcoins on a trading platform that complies with Anti-Money Laundering ("AML") and Know Your Customer ("KYC") standards, those bitcoins may be subject to review regarding their provenance and may not be accepted if they have previously been used for money laundering, drug trades, human trafficking, or other criminal purposes.

⁵⁶ See *supra* notes 44–47 and accompanying text.

⁵⁷ See *supra* notes 44, 47, and accompanying text. See also Registration Statement, *supra* note 31, at 9, 12 (recognizing transaction costs and fees).

⁵⁸ See *supra* note 46 and accompanying text.

⁵⁹ Contrary to the Sponsor's characterization that bitcoin is available in a "limitless" amount, see *supra* note 44, the Registration Statement represents that the Bitcoin protocol currently "limits both the total amount of bitcoin that will be produced and the rate at which it is released" such that the "supply of bitcoin is programmatically limited to 21 million bitcoin." Registration Statement, *supra* note 31, at 1, 19.

⁶⁰ See *supra* notes 48–50, and accompanying text.

⁶¹ See *infra* note 135 and accompanying text (concerning equity options).

⁶² See *infra* Sections III.B.1(b) and III.B.1(c) for additional discussion of the spot market for bitcoin.

⁶³ See *infra* Section III.B.1(c).

⁶⁴ See Notice and OIP, *supra* note 7, 84 FR at 23129, 23133; Bitwise Submission I, *supra* note 6, at 23.

platforms globally, that extremely effective arbitrage is in place between those platforms, and that a distributed market has emerged in which no single platform represents the majority of “real” trading volume.⁶⁵ The Sponsor asserts that these characteristics of the “real” bitcoin market provide unique resistance to manipulation because an attempt to manipulate the market would need to involve a non-trivial amount of bitcoin’s total global liquidity and either be coordinated simultaneously across multiple platforms or involve a significant spike in volume on a single platform (which would trigger review as part of the Sponsor’s NAV process).⁶⁶ Therefore, according to the Sponsor, any attempt at manipulation would be relatively difficult, risky, and costly to carry out.⁶⁷ In addition, a commenter asserts that bitcoin has a highly liquid secondary market that is conducive to an efficient market and price discovery.⁶⁸ Several commenters generally assert that manipulation is present in the bitcoin market⁶⁹ or provide evidence of manipulation in the bitcoin market, including Ponzi schemes;⁷⁰ spoofing, layering, and front running;⁷¹ trading by dominant market

⁶⁵ See Notice and OIP, *supra* note 7, 84 FR at 23133; Bitwise Submission I, *supra* note 6, at 117–118; Bitwise Submission III, *supra* note 9, at 47. The Sponsor argues that these characteristics of the bitcoin market arise from bitcoin’s fungibility and transportability, as discussed further above in Section I.A.1(a).

⁶⁶ See Notice and OIP, *supra* note 7, 84 FR at 23133; Bitwise Submission I, *supra* note 6, at 118.

⁶⁷ See Notice and OIP, *supra* note 7, 84 FR at 23133; Bitwise Submission I, *supra* note 6, at 117; Bitwise Submission III, *supra* note 9, at 33.

⁶⁸ See Blockchain Capital Letter, *supra* note 9, at 6 (asserting that these characteristics are partly a byproduct of bitcoin’s divisibility, fungibility, and portability).

⁶⁹ See Bird Letter, *supra* note 9 (asserting that bitcoin is not immune to manipulation by a group, individual, or software); Kumar Letter, *supra* note 6 (calling it “common knowledge” that the bitcoin market is manipulated); Perrott Letter, *supra* note 6 (stating that we are still very much in a volatile and manipulated market); Pinto Letter, *supra* note 6 (stating that the bitcoin market is volatile and manipulated by the very few); C. Ross Letter, *supra* note 6 (referring to manipulation as a “prime issue”); Shenoy Letter I, *supra* note 6 (incorporating letter from Avinash Shoney (Sept. 29, 2018), regarding SR–CboeBZX–2018–040 (“Shenoy Letter III”), at 1, available at <https://www.sec.gov/comments/sr-cboebzx-2018-040/sr-cboebzx2018040-4460679-175814.pdf>) (asserting that it is a “widely known fact” that the bitcoin market is manipulated).

⁷⁰ See Kumar Letter, *supra* note 6 (arguing that Ponzi schemes are common and referencing the recently shut down BitConnect platform).

⁷¹ See Shenoy Letter III, *supra* note 69, at 1, 8 (representing that spoofing, layering, and front-running are prevalent; that pump-and-dump schemes organized through messaging apps are ubiquitous and make use of coordinated actions of trading bots and the speed at which news spreads on social media; and that trading bots have been known to artificially inflate the price of

participants;⁷² and suspicious trading patterns or price movements.⁷³

The Sponsor argues that the “real” bitcoin market is organized, efficient, resilient, and robust, with “extremely tight spreads and effective arbitrage.”⁷⁴ The Sponsor asserts that spreads in the “real” bitcoin market make bitcoin one of the most tightly quoted financial instruments in the world.⁷⁵ For example, the Sponsor represents that in April 2019, the average median spread on the ten platforms that it identifies as “real”—Binance, Bitfinex, Coinbase Pro, Kraken, Bitstamp, bitFlyer, Gemini, itBit, Bittrex, and Poloniex⁷⁶—was \$1.31 and the five most liquid “real”

cryptocurrencies by up to 300%). See also Shenoy Letter II, *supra* note 9, at 1 (stating that high-frequency traders have been using trading bots to front-run other investors in the equity world for several decades). This commenter asserts that, considering past manipulation of the markets for LIBOR, foreign currencies, U.S. Treasuries, gold, and silver, it would not be so hard to manipulate a smaller market such as the market for bitcoin. See Shenoy Letter III, *supra* note 69, at 1.

⁷² See Shenoy Letter III, *supra* note 69, at 1 (stating that research by economists indicates that it is likely that past events involved manipulation of bitcoin’s price by just one or two major players, and that miners, some of whom have a large concentration of power and large bitcoin positions, have an interest in seeing the price of bitcoin rise); Bird Letter, *supra* note 9 (asserting that trading by a single entity recently caused the price of bitcoin to drop more than \$1,000 in minutes across the market, including on the Sponsor’s identified “real” platforms, and that this incident disproves the assertion that bitcoin is uniquely resistant to manipulation).

⁷³ One commenter asserts that an observed digital-asset-trading pattern known as “Bart” frequently occurs around bitcoin futures expiry and may be caused by high-frequency traders. See Shenoy Letter III, *supra* note 69, at 1–2, 6, 7. This commenter represents that it is common to see price movement that appears to be market reaction to news before the news is released, which is indicative of market manipulation and insider trading. See *id.* at 3–5. This commenter also states that most bitcoin platforms do not block masked VPN IP addresses, raising questions about the ability of trading platforms to restrict access to authorized users only and prevent manipulation. See *id.* at 2–3. Another commenter refers to an apparent “price pump” of approximately \$800 million for bitcoin in under a week. See Perrott Letter, *supra* note 6. Another commenter states that three small platforms lost over \$200 million in investor funds in 2019. See Blake Letter II, *supra* note 9.

⁷⁴ See Notice and OIP, *supra* note 7, 84 FR at 23131; Bitwise Submission II, *supra* note 9, at 13, 85; Bitwise Submission III, *supra* note 9, at 147; Bitwise Submission VI, *supra* note 9, at 10. See also Omniex Letter, *supra* note 9, at 4 (stating that the Sponsor’s study demonstrates that the actual market for bitcoin is more orderly and efficient than commonly perceived and exhibits robust price discovery and effective arbitrage).

⁷⁵ See Notice and OIP, *supra* note 7, 84 FR at 23129; Bitwise Submission II, *supra* note 9, at 55–56. See also Notice and OIP, *supra* note 7, 84 FR at 23128 (asserting that the current efficiency of the spot bitcoin market matches or exceeds that of other major financial markets).

⁷⁶ See Bitwise Submission II, *supra* note 9, at 34–35.

platforms had median spreads ranging from \$0.01 to \$1.75, constituting a range of 0.01% to 0.03% as compared to bitcoin’s trading price of around \$5,000 that month.⁷⁷

The Sponsor provides an analysis of arbitrage across the ten identified platforms in the “real” bitcoin spot market and concludes that prices on these platforms trade closely together and have their disparities rapidly arbitrated away.⁷⁸ According to the Sponsor, this conclusion holds regardless of venue, currency pair, or any other identifiable factor.⁷⁹ For the purposes of its analysis, the Sponsor has taken, once per second, the last-traded price on each of the ten platforms and used an equal-weighted average to calculate a real-time consolidated spot price (“consolidated price”).⁸⁰ The Sponsor has plotted the price of bitcoin on each of the ten platforms from January 2018 through mid-May 2019 on a chart, and concludes that it is “difficult to see meaningful gaps” between the prices on each platform.⁸¹ The Sponsor has then calculated the average deviation from the consolidated price for each of the ten platforms on a second-by-second basis since January 2019 and finds that the average deviation for any given platform ranged from 0.06% to 0.20% during that period, with an average deviation across all platforms of 0.12%.⁸² The Sponsor

⁷⁷ See *id.* at 55–56. See also Notice and OIP, *supra* note 7, 84 FR at 23129 (describing that the bitcoin platform Coinbase Pro had a median spread in March 2019 of \$0.01, with bitcoin valued at approximately \$5,000); Bitwise Submission I, *supra* note 6, at 16 (stating that, on leading platforms, bitcoin commonly trades with a \$0.01 spread with a price of approximately \$4,000), 28 (stating that at the time of a December 12, 2018, snapshot, Coinbase Pro had a spread of \$0.01, or 0.0003% based on bitcoin’s trading price of \$3,419), 111 (stating that average spreads on the “real” platforms ranged from 0.01% to 0.10% and that two of these platforms had a single tick as their median spread). But see Bitwise Submission II, *supra* note 9, at 70 n.182 (referring to one platform (Poloniex) as “too small and illiquid to support meaningful arbitrage trading” and stating that another (Bitfinex) has a 3% fee on withdrawals that “rais[es] certain challenges for institutional arbitrage activity”).

⁷⁸ See Bitwise Submission II, *supra* note 9, at 60–65; Bitwise Submission III, *supra* note 9, at 31, 35.

⁷⁹ See Bitwise Submission III, *supra* note 9, at 37.

⁸⁰ See Bitwise Submission II, *supra* note 9, at 60 (stating that the Sponsor chose to use equal-weighting to remove any suggestion that one platform appears to trade closely to a consolidated price only because it has an undue influence over the consolidated price).

⁸¹ See *id.* at 60–61. See also Bitwise Submission I, *supra* note 6, at 67 (showing graph of prices on the ten platforms from January 2018 through mid-March 2019, and stating that they form a “singular” price).

⁸² See Bitwise Submission II, *supra* note 9, at 61–62. The Sponsor provides an earlier analysis that shows average deviations for each platform ranging from 0.13% to 0.25% from January 2018 through

Continued

asserts that these results show that the platforms trade “incredibly tightly,” with average deviations at a level within the trading fees on the platforms.⁸³ Therefore, according to the Sponsor, the results suggest that institutional-quality arbitrageurs and algorithmic programs are at work to keep prices closely aligned.⁸⁴

In addition, the Sponsor has identified instances in which the price of bitcoin on a particular “real” platform deviated by more than 1% from the consolidated price during the 12 months starting in April 2018.⁸⁵ The Sponsor has then graphed the number of instances where a platform had a price deviation greater than 1% away from the consolidated price for a specific number of seconds, both across all ten “real” platforms and for each platform.⁸⁶ The Sponsor states that, in the aggregate, the results show that more than 50% of all pricing discrepancies greater than 1% were arbitrated away within 5 seconds and that more than 90% of all such pricing discrepancies were arbitrated away within 34 seconds.⁸⁷ According to the Sponsor, these results were remarkably consistent across all platforms and show that pricing discrepancies greater than 1% were rare and quickly arbitrated away.⁸⁸ The Sponsor also asserts that these results suggest that bitcoin has a global network of spot platforms that are tightly arbitrated and form a single, global price.⁸⁹ The Sponsor states that its conversations with leading market makers suggest that such market makers

maintain capital at multiple platforms to facilitate this arbitrage.⁹⁰

The Sponsor argues that the efficiency of the “real” bitcoin market has improved dramatically over the past eighteen months and is now approaching its practical limit, in that prices are “nearly perfectly” arbitrated, spreads are “incredibly tight,” and the market is liquid on a twenty-four hour, seven-day-a-week basis.⁹¹ In particular, according to the Sponsor, the strength of arbitrage on the bitcoin spot market and quality of that market has improved significantly since December 2017.⁹² The Sponsor has charted the average deviation of the price of bitcoin on the ten “real” spot platforms, as measured against the consolidated price, monthly from January 2018 through April 2019, and concludes that the data show a pronounced downward trend, indicating increasingly efficient arbitrage.⁹³ The Sponsor attributes improvements in arbitrage on the bitcoin platforms in part to the December 2017 introduction of the bitcoin futures market, which allows arbitrageurs to gain short exposure in bitcoin and created a two-sided market with easy hedging, and to the growth of contract volume on that market.⁹⁴ The Sponsor also points to the February 2018 emergence and subsequent growth of the institutional short lending market for bitcoin, which allows arbitrageurs to capitalize on short term price dislocations in the bitcoin market.⁹⁵ The

Sponsor further asserts that the 2018 entry of well-established, institutional, and algorithmic market-makers into the bitcoin market has brought increased order and efficiency to the market.⁹⁶ The Sponsor states that it “does not discount the possibility” that the bitcoin market was susceptible to market manipulation in 2013, prior to the development of material regulation or the entry of large market participants, but asserts that concerns raised about market conditions during that earlier period are mitigated by the current existence of a well-functioning, distributed market with multiple, significant platforms connected by efficient arbitrage.⁹⁷

The Sponsor asserts that efficient arbitrage exists despite the apparent existence of arbitrage opportunities in the bitcoin market (from apparent pricing discrepancies on different platforms), because these apparent opportunities are usually driven by one of three factors.⁹⁸ First, the Sponsor represents that platforms that exaggerate and fake their volume utilize algorithms that generally display prices that mirror the “real” bitcoin spot market, but that these algorithms rely on trend-following software rather than effective arbitrage and thus deviate more from the consolidated price.⁹⁹ Second, the Sponsor asserts that bitcoin prices on platforms in capital-controlled markets may trade at significant sustained premiums or discounts to the integrated global market because capital controls make it difficult or impossible to conduct arbitrage.¹⁰⁰ Third, the Sponsor states that certain platforms conduct

mid-March 2019. See Notice and OIP, *supra* note 7, 84 FR at 23131; Bitwise Submission I, *supra* note 6, at 68. See also Bitwise Submission III, *supra* note 9, at 35 (representing that its earlier analysis shows that the average deviation in price between each of the ten platforms and the globally integrated price in April 2019 was between 0.06% and 0.19%).

⁸³ See Bitwise Submission II, *supra* note 9, at 62 (noting that “taker” trading fees on the ten platforms range from 0.04% to 0.35%, and that a market participant would need to incur these fees on both sides of the trade to immediately capture the arbitrage opportunity). See also Bitwise Submission I, *supra* note 6, at 68 (stating that average deviations are well within the expected arbitrage band when taking into account platform-level fees of around 30 basis points, volatility, and hedging costs).

⁸⁴ See Bitwise Submission II, *supra* note 9, at 62.

⁸⁵ See *id.*

⁸⁶ See *id.* at 62–64.

⁸⁷ See *id.* at 63; Bitwise Submission III, *supra* note 9, at 33, 35. In its earlier analysis, the Sponsor has examined deviations greater than 1% that lasted more than 100 seconds. Based on a provided histogram of these instances, the Sponsor concludes that such sustained deviations were extremely rare and of diminished frequency in recent months. See Notice and OIP, *supra* note 7, 84 FR at 23131; Bitwise Submission I, *supra* note 6, at 69; Bitwise Submission III, *supra* note 9, at 33, 35.

⁸⁸ See Bitwise Submission II, *supra* note 9, at 62–63.

⁸⁹ See *id.* at 65.

⁹⁰ See Bitwise Submission III, *supra* note 9, at 33.

⁹¹ See Notice and OIP, *supra* note 7, 84 FR at 23131; Bitwise Submission I, *supra* note 6, at 111.

⁹² See Notice and OIP, *supra* note 7, 84 FR at 23128; Bitwise Submission II, *supra* note 9, at 72; Bitwise Submission III, *supra* note 9, at 3.

⁹³ See Notice and OIP, *supra* note 7, 84 FR at 23128; Bitwise Submission II, *supra* note 9, at 72. See also Bitwise Submission I, *supra* note 6, at 106 (providing a graph of aggregate monthly price deviation from December 2017 through mid-March 2019). In addition, the Sponsor has provided an updated chart showing the average deviation of the price of bitcoin on the “real” spot platforms, as measured against the consolidated price, through August 2019, showing similar average deviations in May through August 2019 as compared to the earlier portion of 2019. See Bitwise Submission VI, *supra* note 9, at 7, 24.

⁹⁴ See Bitwise Submission I, *supra* note 6, at 107; Bitwise Submission II, *supra* note 9, at 82 (citing May 2018 letter from Federal Reserve Bank of San Francisco that explains that the impact of the futures market aligns with the impact the introduction of futures has had on other markets); Bitwise Submission III, *supra* note 9, at 3; Bitwise Submission VI, *supra* note 9, at 7. See also Bitwise Submission III, *supra* note 9, at 145 (quoting May 2018 letter from Federal Reserve Bank of San Francisco that stated that the rapid rise in the price of bitcoin, and subsequent price drop following the issuance of bitcoin futures, is consistent with pricing dynamics suggested elsewhere in financial theory and previously observed trading behavior).

⁹⁵ See Bitwise Submission I, *supra* note 6, at 110; Bitwise Submission II, *supra* note 9, at 82–83;

Bitwise Submission III, *supra* note 9, at 3; Bitwise Submission VI, *supra* note 9, at 7.

⁹⁶ See Notice and OIP, *supra* note 7, 84 FR at 23128; Bitwise Submission I, *supra* note 6, at 108–109; Bitwise Submission II, *supra* note 9, at 83; Bitwise Submission III, *supra* note 9, at 3; Bitwise Submission VI, *supra* note 9, at 7. The Sponsor states that expansion of the bitcoin custody market in 2018 and 2019, and emergence of a strong market for insurance on custodied bitcoin assets, has also increased efficiency of the market and enabled a larger number of market makers to enter the market. See Bitwise Submission II, *supra* note 9, at 84; Bitwise Submission III, *supra* note 9, at 3. See also Bitwise Submission VI, *supra* note 9, at 8 (stating that bitcoin custody has become “fully institutional” and detailing the custodians for bitcoin that were regulated or had insurance in 2017, 2018, and 2019).

⁹⁷ See Bitwise Submission III, *supra* note 9, at 49 (describing reports of manipulation at the failed Mt. Gox platform in 2013).

⁹⁸ See Bitwise Submission II, *supra* note 9, at 66–68.

⁹⁹ See *id.* at 67.

¹⁰⁰ See *id.* See also Bitwise Submission III, *supra* note 9, at 31 (stating that capital controls prevent arbitrage or make it significantly more difficult, which is why the Bitwise Daily Bitcoin Reference Price methodology excludes platforms domiciled in capital-controlled countries).

trading in so-called cryptographic “stablecoins,”¹⁰¹ rather than in the U.S. dollar.¹⁰² According to the Sponsor, while stablecoins have values that fluctuate, many popular data aggregators assume that these stablecoins maintain a stable price of \$1.00, and therefore do not incorporate the fluctuating nature of stablecoins when displaying bitcoin prices, unlike arbitrageurs that do take this into account.¹⁰³

Several commenters assert that there is effective arbitrage in the bitcoin market.¹⁰⁴ One commenter represents that, in recent years, spreads in the bitcoin market have narrowed, arbitrage has improved, and the market has become increasingly efficient, due to the entry of large, established market makers; the launch and growth of a large, regulated bitcoin derivatives market; the development of a short lending market in bitcoin; and the emergence of algorithmically-driven trading tools.¹⁰⁵ Another commenter states that, through the use of high-frequency trading or automated trading “bots,” global arbitrage in the bitcoin market is very cost-effective and efficient.¹⁰⁶ A third commenter asserts that effective arbitrage exists among the platforms with “real” volume.¹⁰⁷ In addition, one commenter states that the global bitcoin market is deep and robust, divided among multiple spot platforms and futures exchanges, and supported by institutional market makers, and that it is unlikely that an attempt to manipulate the market could last long.¹⁰⁸

In contrast, one commenter asserts that the Sponsor’s claims regarding arbitrage and the expectation that bitcoin would trade at the same price across platforms are not true because

bitcoin trades at different prices in different countries, such as what can be seen in South Korea or what was seen in India during the peak at the end of 2017.¹⁰⁹ This commenter adds that platforms that operate across regions may be able to conduct arbitrage and circumvent some capital controls, which creates the possibility that the existence of this “channel” adds noise to the estimation of capital controls.¹¹⁰ This commenter also states that the bitcoin market is not orderly because the supply is inelastic and the demand drivers are opaque.¹¹¹

(B) The Sponsor’s Assertions Regarding Regulation of the Bitcoin Spot Market

The Sponsor asserts that the “real” bitcoin spot market is “substantially more regulated” than would be suggested by “conventional wisdom.”¹¹² Specifically, the Sponsor argues that the ten platforms in the “real” bitcoin market are more established, more likely to be located in developed markets, more regulated, and more likely to utilize sophisticated market surveillance tools than the broader set of platforms that report significant volume.¹¹³ The Sponsor represents that all ten of the “real” platforms are domiciled or based in what it describes as “developed” markets.¹¹⁴ The Sponsor further represents that nine of these ten platforms are regulated by the U.S. Department of Treasury’s Financial Crimes Enforcement Network (“FinCEN”) division as Money Services Businesses (“MSB”) and six are regulated by the New York State Department of Financial Services (“NYSDFS”) under its BitLicense program.¹¹⁵ According to the Sponsor,

the requirements for a BitLicense include having to implement measures designed to detect, prevent, and respond to fraud, attempted fraud, and similar wrongdoing, including market manipulation, and to monitor, control, investigate, and report back to the NYSDFS regarding any wrongdoing.¹¹⁶ The Sponsor states that five of the ten “real” platforms have robust internal or third-party market surveillance tools to monitor, report, and correct for abusive trading behavior.¹¹⁷ According to the Sponsor, this trend toward adopting market surveillance tools has been, in part, a response to the MSB and BitLicense regulations.¹¹⁸

One commenter states that BitLicense regulation has driven advances in the bitcoin market and that, after the NYSDFS added guidelines in 2018 requiring surveillance and reporting of market manipulation, the platforms with BitLicenses have implemented sophisticated market surveillance tools that help foster a safer and more established market.¹¹⁹ Another commenter states that, to obtain a BitLicense, the platforms must demonstrate to the NYSDFS that they meet the requirements for a BitLicense and must commit to ongoing review by the NYSDFS, which, according to the commenter, means that these platforms “have embraced the need for policies, procedures, and surveillance.”¹²⁰ This commenter asserts that it believes that all of the platforms in which it participates, including those outside of New York, must have a robust surveillance program and that the listed platforms meet these standards and are continuing to develop these programs.¹²¹ This commenter further asserts that these platforms typically employ sophisticated third-party surveillance tools that use the qualities

laundering, and include having an AML policy, having customer identification and verification policies, and filing Suspicious Activity Reports for suspicious customer transactions. See Notice and OIP, *supra* note 7, 84 FR at 23130; Bitwise Submission I, *supra* note 6, at 77–78; Bitwise Submission II, *supra* note 9, at 50–51.

¹¹⁶ See Notice and OIP, *supra* note 7, 84 FR at 23130; Bitwise Submission II, *supra* note 9, at 51–52; Bitwise Submission III, *supra* note 9, at 73.

¹¹⁷ See Notice and OIP, *supra* note 7, 84 FR at 23130; Bitwise Submission I, *supra* note 6, at 82; Bitwise Submission II, *supra* note 9, at 53; Bitwise Submission III, *supra* note 9, at 73.

¹¹⁸ See Bitwise Submission II, *supra* note 9, at 52.

¹¹⁹ See Castle Island Ventures Letter, *supra* note 9, at 2–3.

¹²⁰ See Tagomi Letter, *supra* note 9, at 2 (representing that the BitLicense requirements mostly relate to the prevention of money laundering and to the security of the platforms’ systems).

¹²¹ See *id.*

¹⁰¹ The term “stablecoin” is a marketing term broadly used in the industry to refer to a digital asset that purports to minimize price volatility. However, the Commission notes that the use of the term to refer to a digital asset does not mean that the asset does in fact exhibit stability.

¹⁰² See Bitwise Submission II, *supra* note 9, at 67.

¹⁰³ See *id.* at 67–68. For example, the Sponsor states that the price of the stablecoin Tether (USDT) has fluctuated between \$0.91 and \$1.05 in the past year, but that coinmarketcap.com displays the price of bitcoin-USDT on the Binance platform as if Tether is worth \$1, which makes it appear as though bitcoin is trading at a premium on Binance. See *id.* See also Bitwise Submission I, *supra* note 6, at 72–74 (asserting that if you adjust for the price of Tether, prices for bitcoin-USD and bitcoin-USDT trading pairs line up “exactly”).

¹⁰⁴ See Shenoy Letter III, *supra* note 69, at 9; Omniex Letter, *supra* note 9, at 4; Castle Island Ventures Letter, *supra* note 9, at 3.

¹⁰⁵ See Castle Island Ventures Letter, *supra* note 9, at 3.

¹⁰⁶ See Shenoy Letter III, *supra* note 69, at 9.

¹⁰⁷ See Omniex Letter, *supra* note 9, at 4.

¹⁰⁸ See Donostia Ventures Letter, *supra* note 9, at 4.

¹⁰⁹ See Fitzgerald Letter II, *supra* note 9.

¹¹⁰ See *id.*

¹¹¹ See *id.*

¹¹² See Bitwise Submission II, *supra* note 9, at 48.

¹¹³ See Notice and OIP, *supra* note 7, 84 FR at 23130. See also Bitwise Submission II, *supra* note 9, at 85 (stating that the bitcoin market is supported by increasingly effective regulation on the spot platforms); Bitwise Submission III, *supra* note 9, at 171 (stating that many bitcoin spot platforms face significant regulation).

¹¹⁴ See Notice and OIP, *supra* note 7, 84 FR at 23130. The Sponsor states that approximately 30% of all “real” reported volume takes place on platforms domiciled in the United States, with the remainder domiciled in Malta, Hong Kong, the United Kingdom, and Japan. See Bitwise Submission I, *supra* note 6, at 64; Bitwise Submission II, *supra* note 9, at 47–48; Bitwise Submission III, *supra* note 9, at 9, 67.

¹¹⁵ See Notice and OIP, *supra* note 7, 84 FR at 23130; Bitwise Submission I, *supra* note 6, at 81; Bitwise Submission II, *supra* note 9, at 49; Bitwise Submission III, *supra* note 9, at 9. See also Tagomi Letter, *supra* note 9, at 2. The Sponsor states that the MSB license has associated obligations designed to ensure that FinCEN can protect against money

of bitcoin to scrutinize transaction histories and conduct surveillance.¹²²

The Sponsor acknowledges that the Trust's Registration Statement represents that the platforms on which bitcoin trades are "relatively new and, in some cases, largely unregulated, and, therefore may be more exposed to fraud and security breaches than established, regulated exchanges for other financial assets or instruments, which could have a negative impact on the performance of the Trust."¹²³ The Sponsor states that regulation of bitcoin platforms varies and is not equivalent to the regulation of national securities exchanges, but that many bitcoin spot platforms face significant regulation and are well-capitalized, and that the design of the Trust would mitigate the impact of the failure of any individual platform.¹²⁴ Further, the Sponsor states that the regulations surrounding MSB licenses and BitLicenses, while not as extensive as the obligations of and oversight for national securities exchanges and futures exchanges, provide business oversight and regulatory compliance requirements and thus convey certain critical protections.¹²⁵

The Sponsor states that, out of the ten identified "real" platforms, Binance is the only one not registered as an MSB and Kraken is the only significant U.S.-based platform that has not pursued a BitLicense, and that both platforms have expressed a strong preference for self-regulation and voiced concerns about regulatory overreach.¹²⁶ The Sponsor asserts that Binance and Kraken have been aggressive in adopting internal tools to address AML, KYC, and other concerns through the use of

technology.¹²⁷ Further, the Sponsor attributes the "conventional wisdom" that the bitcoin platforms are almost entirely unregulated to characterizations of the "fake" platforms that dominate the reported trading volume, rather than the ten platforms with "real" trading volume.¹²⁸

Several commenters assert that there is a lack of regulation in the bitcoin market.¹²⁹ One commenter states that while regulation of the bitcoin market is improving through the Commission's efforts to root out bad actors, it still is not comparable to the traditional markets, and that bitcoin platforms lack real-time and historical surveillance capabilities to identify and stop suspicious trading activities.¹³⁰ Another commenter states that, while most platforms have AML and KYC requirements for transactions between fiat currencies and digital assets, many allow participants to open accounts to trade between digital assets and other digital assets with only a name and email address, bypassing AML and KYC requirements.¹³¹

(ii) Analysis

The Commission concludes that the record does not demonstrate that the identified characteristics of the "real" spot market, such as the claimed effectiveness of arbitrage and the presence of some degree of regulation, establish that the segment of the market that the Sponsor identifies—or that NAV and IIV pricing based on that segment—are uniquely resistant to manipulation sufficient to justify dispensing with the detection and deterrence of fraud and manipulation provided by surveillance-sharing agreements with significant, regulated markets. While the Sponsor asserts that the "real" bitcoin market is "more orderly and more regulated than commonly understood,"¹³² characteristics of the identified "real" segment of the bitcoin market that differ from the common understanding of the broader bitcoin market do not establish that the "real" bitcoin market is uniquely resistant to manipulation. Moreover, as discussed further below in Section III.B.1(c), the Sponsor asserts

that 95 percent of the spot bitcoin market consists of fake and non-economic activity,¹³³ but has not established that the "real" bitcoin market is isolated from that fraudulent and manipulative activity.¹³⁴

(A) Arbitrage and Efficiency in the Bitcoin Spot Market

The record does not establish that the effectiveness of arbitrage in the "real" spot bitcoin market would, by itself, protect against the influence of fake and non-economic trading in the broader bitcoin market or provide unique resistance to manipulation sufficient to do away with the need for a surveillance-sharing agreement with a significant, regulated market. The Commission also notes that its reliance on surveillance-sharing agreements for derivative securities products has not been limited to ETPs based on commodities, but has also extended to equity options based on securities listed on national securities exchanges.¹³⁵

¹³³ See *supra* note 52 and accompanying text.

¹³⁴ See *infra* Section 0 for discussion about the Sponsor's assertions that it has separated the "real" bitcoin spot market from the rest of the market that is dominated by fake and non-economic trading, and that fake volume does not impact price discovery on the "real" bitcoin spot market. The Commission emphasizes that, as discussed further below, if prices on the identified "real" spot market are affected by manipulative activity on other platforms, then it would fundamentally undercut any claims that the "real" market is uniquely resistant to manipulation.

¹³⁵ See Winklevoss Order, *supra* note 12, 84 FR at 37593 (citing Securities Exchange Act Release No. 33555 (Jan. 31, 1994), 59 FR 5619, 5621 (Feb. 7, 1994) (SR-Amex-93-28) (order approving listing of options on American Depository Receipts)). The Commission has also required a surveillance-sharing agreement in the context of index options even when (i) all of the underlying index component stocks were either registered with the Commission or exempt from registration under the Exchange Act; (ii) all of the underlying index component stocks traded in the U.S. either directly or as ADRs on a national securities exchange; and (iii) effective international ADR arbitrage alleviated concerns over the relatively smaller ADR trading volume, helped to ensure that ADR prices reflected the pricing on the home market, and helped to ensure more reliable price determinations for settlement purposes, due to the unique composition of the index and reliance on ADR prices. See Securities Exchange Act Release No. 26653 (Mar. 21, 1989), 54 FR 12705, 12708 (Mar. 28, 1989) (SR-Amex-87-25) (stating that "surveillance-sharing agreements between the exchange on which the index option trades and the markets that trade the underlying securities are necessary" and that "[t]he exchange of surveillance data by the exchange trading a stock index option and the markets for the securities comprising the index is important to the detection and deterrence of intermarket manipulation."). And the Commission has required a surveillance-sharing agreement even when approving options based on an index of stocks traded on a national securities exchange. See Securities Exchange Act Release No. 30830 (June 18, 1992), 57 FR 28221, 28224 (June 24, 1992) (SR-Amex-91-22) (stating that surveillance-sharing agreements "ensure the availability of information necessary to detect and deter potential

¹²² See *id.*

¹²³ See Bitwise Submission III, *supra* note 9, at 171 (quoting Registration Statement, *supra* note 31, at 7).

¹²⁴ See *id.* (acknowledging that regulation of bitcoin trading platforms is "not pari passu with the regulation of national securities exchanges"); Registration Statement, *supra* note 31, at 15 ("The trading for spot bitcoin occurs on multiple trading venues" that are "not regulated in the same manner as traditional stock and bond exchanges"); Bitwise Submission I, *supra* note 6, at 76 ("We acknowledge that we're using the term 'regulated' loosely here. We are not implying that bitcoin spot exchanges are 'regulated markets' or that they are on an equal legal status with national securities exchanges or futures exchanges, but rather that the 10 bitcoin spot exchanges highlighted earlier interface with other forms of regulation."). For additional discussion about the Sponsor's arguments that the design of the Trust would make the proposed ETP uniquely resistant to manipulation, see *infra* Section III.B.1(d).

¹²⁵ See Notice and OIP, *supra* note 7, 84 FR at 23130; Bitwise Submission II, *supra* note 9, at 49.

¹²⁶ See Bitwise Submission II, *supra* note 9, at 53-54. The Sponsor states that Bittrex pursued a BitLicense, but was denied by the NYSDFS. See *id.* at 54 n.140.

¹²⁷ See *id.* at 54.

¹²⁸ See *id.* at 48-49.

¹²⁹ See Kumar Letter, *supra* note 6 (calling it "common knowledge" that the bitcoin market is unregulated and manipulated); Page Letter, *supra* note 9 (referring to the bitcoin sector as unregulated); Shenoy Letter II, *supra* note 9, at 1 (suggesting that currently the bitcoin market does not have precise regulation or apparent external oversight).

¹³⁰ See Shenoy Letter III, *supra* note 69, at 1, 10.

¹³¹ See Fitzgerald Letter II, *supra* note 9.

¹³² See *supra* note 64 and accompanying text.

Accordingly, even efficient price arbitrage does not eliminate the need for surveillance-sharing agreements. There is no evidence in the record that arbitrage in the bitcoin market is of such unique effectiveness that it would essentially insulate the proposed ETP from attempts at manipulation in a way beyond that of existing derivative securities products that trade on highly regulated markets.

Further, even if the record showed that the quality of available arbitrage in the “real” bitcoin market makes manipulation more difficult, costly, and risky to carry out than it would be otherwise,¹³⁶ that would speak to providing some resistance to manipulation, rather than a unique resistance to manipulation that would justify dispensing with a surveillance-sharing agreement with a significant, regulated market. Similarly, the Commission concludes that claims by the Sponsor and a commenter that the “real” spot bitcoin market is organized, efficient, resilient, or robust, or has tight spreads,¹³⁷ do not suffice to distinguish the proposed ETP from other derivative securities products, such as equity options, where the Commission required surveillance-sharing agreements with a significant, regulated market even though effective arbitrage exists among the relevant markets.

The Sponsor “does not discount the possibility” that the early bitcoin market may have been subject to market manipulation, particularly with respect to reports of manipulation regarding the failed Mt. Gox platform in 2013.¹³⁸ Rather, the Sponsor points to improvements in the strength of arbitrage and overall market quality in the bitcoin spot market since December 2017.¹³⁹ The Commission concludes that the Sponsor’s acknowledgement of past fraud and manipulation in the bitcoin spot market, combined with the Sponsor’s reliance on changes in the market within just the last two years, effectively concedes that bitcoin and the bitcoin spot market are not *inherently* resistant to manipulation.¹⁴⁰

manipulations and other trading abuses”). See also Registration Statement, *supra* note 31, at 2 (stating that the “real” bitcoin spot market “is now operating at a level of efficiency and scale similar in material respects to established global equity, fixed income and commodity markets”).

¹³⁶ See *supra* notes 66–67 and accompanying text.

¹³⁷ See *supra* notes 68, 74–77, and accompanying text.

¹³⁸ See Bitwise Submission III, *supra* note 9, at 49.

¹³⁹ See *supra* notes 91–97 and accompanying text.

¹⁴⁰ In the Winklevoss Order, the Commission concluded that there was an insufficient basis in the record before it to decide that the bitcoin spot market is inherently resistant to manipulation. See

The Commission also believes that arbitrage in the “real” bitcoin market would not prevent manipulation by, for example, an actor with a dominant ownership position in bitcoin. The existence of concentrated holdings in an asset presents a meaningful risk of manipulation. An actor or group of actors acting in concert who obtain or have a pre-existing dominant ownership position in actual bitcoin would not necessarily find it prohibitively expensive to engage in manipulation across the trading platforms the Sponsor identifies, despite efficient arbitrage on the identified “real” bitcoin market.¹⁴¹ Furthermore, there are other possible sources of fraud and manipulation in the purportedly “real” bitcoin market,¹⁴² including hacking of the trading platforms the Sponsor uses for its pricing mechanism,¹⁴³ malicious

Winklevoss Order, *supra* note 12, 83 FR at 37585–86 (noting that possible sources of fraud and manipulation in the bitcoin spot market included (1) “wash” trading, (2) persons with a dominant position in bitcoin manipulating bitcoin pricing, (3) hacking of the Bitcoin network and trading platforms, (4) malicious control of the Bitcoin Network, (5) trading based on material, non-public information, including the dissemination of false or misleading information, (6) manipulative activity involving Tether, and (7) fraud and manipulation at Mt. Gox, a bitcoin trading platform).

¹⁴¹ See *id.* at 37584, 37586–87, 37591. The Commission is unconvinced by the Sponsor’s assertions that no dominant market position can be exploited to manipulate bitcoin prices. See Bitwise Submission III, *supra* note 9, at 31 (discussing “The Not-So-Killer Whales of Bitcoin,” Chainalysis, Oct. 10, 2018, available at <https://blog.chainalysis.com/reports/bitcoin-whales-oct>). Indeed, the analysis that the Sponsor cites concludes that bitcoin “trading whales certainly have the capability of executing transactions large enough to move the market.” “The Not-So-Killer Whales of Bitcoin,” Chainalysis, Oct. 10, 2018. The cited analysis also concludes that a group of only 15 early bitcoin adopters hold over 33% of all outstanding bitcoin (*id.*), and the Sponsor has not demonstrated that these early adopters are unable to manipulate prices if they so choose. The cited analysis also concedes that 12.5% of the outstanding bitcoin is owned by what it characterizes as “criminal whales” (*id.*), and the Sponsor has not demonstrated that these “criminals” are unable to manipulate prices. This analysis fails to consider that persons who would together own a dominant market share can collude to manipulate bitcoin prices. See Winklevoss Order, *supra* note 12, 83 FR at 37586–87. And this analysis fails to consider that “pseudonymous bitcoin account holding means, among other things, that the number of accounts or number of trades would not reveal whether a person or group has a dominant ownership position in bitcoin, or is using or attempting to use a dominant ownership position to manipulate bitcoin pricing.” *Id.* at 37591.

¹⁴² See Winklevoss Order, *supra* note 12, 83 FR at 37585–86. See also notes 69–73 and accompanying text (summarizing comments asserting that Ponzi schemes, spoofing, layering, front running, market domination, and suspicious trading patterns or price movements occur in bitcoin markets).

¹⁴³ See Winklevoss Order, *supra* note 12, 83 FR at 37585. The Sponsor recognizes that the risk that a profit-motivated hacker can manipulate bitcoin prices up or down by hacking some trading venues

control of the Bitcoin Network,¹⁴⁴ and trading based on material non-public information.¹⁴⁵ Accordingly, the Commission cannot conclude that the “real” bitcoin market is uniquely resistant to manipulation.

Moreover, even to the extent that the spot market has evolved as the Sponsor asserts, NYSE Arca and the Sponsor have not demonstrated that these changes will endure and thus have not demonstrated that the relevant market is inherently resistant to manipulation. As the Trust’s Registration Statement acknowledges, bitcoin platforms are “relatively new . . . and may be more exposed to fraud and security breaches than established, regulated exchanges for other financial assets or instruments.”¹⁴⁶ The Sponsor also argues that “many bitcoin spot exchanges face significant regulation and are well-capitalized” and that the Trust is designed in a way that would mitigate the impact that a failure of an individual platform would have on the Trust or its NAV or holdings.¹⁴⁷ This argument, however, focuses on the presence of some regulation and design features of the Trust, and does not demonstrate that the nature of the spot platforms makes them inherently resistant to manipulation.

The Sponsor has made sweeping claims that up to 95% of the volume reported by bitcoin platforms is wash trading or simply fabricated, while asking the Commission to approve the

while trading on other trading venues is “still a concern today.” Bitwise Submission III, *supra* note 9, at 45. See also Registration Statement, *supra* note 31, at 7 (“The nature of the assets held at bitcoin exchanges makes them appealing targets for hackers” and “[n]o bitcoin exchange is immune from these risks.”).

¹⁴⁴ See Winklevoss Order, *supra* note 12, 83 FR at 37585–86. The Sponsor recognizes that “[t]here is a theoretical risk that a malicious actor could attempt to exert control over the Bitcoin Network by conducting a so-called 51% attack, which would involve becoming the dominant source of mining power on the network,” and that “51% attacks can theoretically allow you to double spend bitcoin you already own or censor transactions of others.” Bitwise Submission III, *supra* note 9, at 45.

¹⁴⁵ See Winklevoss Order, *supra* note 12, 83 FR at 37585–86. The Sponsor “agree[s] with the Commission’s argument that the potential for material nonpublic information about bitcoin exists.” Bitwise Submission III, *supra* note 9, at 43.

¹⁴⁶ See *supra* note 123 and accompanying text. Furthermore, the nature of trading in bitcoin markets could change over time as market participants gain more experience. For example, institutional market-makers and short-term lenders could decide to pull back from the bitcoin market, or bitcoin futures contract volume could decrease and make hedging more difficult and expensive, affecting the spot market. Moreover, the use or adoption of bitcoin could contract, leading to a lower demand for bitcoin in the spot market and a subsequent impact on volumes and volatility.

¹⁴⁷ See *supra* notes 124–125 and accompanying text.

listing of a bitcoin ETP based upon a small segment of the market that it asserts is uniquely resistant to the influence of this activity.¹⁴⁸ These claims, when combined with statements regarding the relatively new state of the bitcoin market and, as discussed further below, the proposed ETP's pricing mechanism,¹⁴⁹ suggest that further development of the market is needed to establish that the Sponsor's representations remain sound.

Further, the record does not demonstrate that arbitrage in the "real" spot market is as effective as the Sponsor claims.¹⁵⁰ While the Sponsor describes its analysis on arbitrage in the "real" spot market,¹⁵¹ it provides a selective and incomplete analysis. For example, the Sponsor presents the average deviation from the consolidated price over an approximately five-month period as a single data point for each platform,¹⁵² which may obscure transient events. The Sponsor's analysis of the duration of 1% price deviations from the consolidated price also lumps together all deviations over 1%, regardless of size,¹⁵³ and thus obscures whether some deviations were quite large and how long a large deviation persists.¹⁵⁴

¹⁴⁸ See *infra* Section III.B.1(c).

¹⁴⁹ See *infra* note 369 and accompanying text (quoting statements in the Registration Statement that the Bitwise Daily Bitcoin Reference Price "is based on a new and untested calculation methodology"). In addition, see discussion *infra* note 465 and accompanying text regarding statements in the Registration Statement regarding the bitcoin futures market.

¹⁵⁰ Because the Sponsor does not include any markets in capital-controlled countries within its identified set of "real" platforms, based on difficulties in conducting arbitrage with platforms in such countries, the Commission does not consider the quality of arbitrage between the "real" platforms and such markets. See *supra* notes 100, 109–110, and accompanying text.

¹⁵¹ See *supra* notes 78–90, 93, and accompanying text. The Sponsor also describes its earlier analysis utilizing similar metrics over slightly different time periods. See *supra* notes 81–82, 87, and 93, and accompanying text.

¹⁵² See *supra* note 82 and accompanying text.

¹⁵³ See *supra* notes 85–88 and accompanying text.

¹⁵⁴ In addition, the Sponsor ignores that on the platform-level histograms, the scaling of the "y" axis that displays the deviation count varies considerably, reflecting the finding that on some of the platforms (e.g., bitFlyer) the 1% price deviations are more than ten times more frequent than on other platforms (e.g., Bitfinex). The Sponsor's histograms compare deviation counts on the "y" axis of up to 120 for Binance and 700 for bitFlyer to deviation counts on the "y" axis of 20 for Bitfinex. See Bitwise Submission II, *supra* note 9, at 63–64. In addition, the Sponsor has generated a line graph showing the price of bitcoin on the ten "real" platforms for an approximately seventeen-month period and concludes that it is "difficult to see meaningful gaps" between each line. See *supra* note 81 and accompanying text. Yet, given the scaling used, in which grid lines represent an increase in the price of bitcoin by 2,000 USD, a deviation

Moreover, in a separate context where the Sponsor attempts to explain why a particular market participant does not track prices for two of its identified "real" platforms, the Sponsor refers to one of these "real" platforms (Poloniex) as "too small and illiquid to support meaningful arbitrage trading" and states that another (Bitfinex) has a 3% fee on withdrawals that "rais[es] certain challenges for institutional arbitrage activity."¹⁵⁵ In addition, statements by commenters that assert that arbitrage on the spot platforms is effective are conclusory and not supported with data.¹⁵⁶

(B) Regulation of the Spot Market

Even if the Commission assumes that the arbitrage among these "real" platforms is effective, the record does not demonstrate that the level of regulation present in the "real" bitcoin spot market provides a unique ability to deter and detect fraud and manipulation.¹⁵⁷ The Sponsor has not demonstrated that its selected platforms with "real" volumes are "regulated markets" comparable to a national securities exchange or futures exchange, although they may be registered with FinCEN or NYSDFS.¹⁵⁸

The Commission concludes, and the Sponsor itself expressly acknowledges, that the level of regulation on bitcoin spot platforms "varies" and is not equivalent to the obligations and oversight of national securities exchanges or futures exchanges.¹⁵⁹ The Sponsor does not argue that state or other federal regulation of the bitcoin spot platforms is a substitute for federal securities law standards, including the requirements of the Exchange Act. Indeed, the Sponsor agrees with the Commission that, irrespective of other applicable regulations, the Exchange Act here requires a comprehensive surveillance-sharing agreement with a regulated market of significant size

would need to be very large to produce perceptible gaps.

¹⁵⁵ See *supra* note 77.

¹⁵⁶ See *supra* notes 104–108 and accompanying text. *But see supra* notes 109–111 (questioning the effectiveness of arbitrage on the bitcoin spot markets).

¹⁵⁷ With respect to the assertion that all of the "real" platforms are domiciled or based in what the Sponsor terms "developed" markets (see *supra* note 114 and accompanying text), nothing in the record explains how this characteristic would make the platforms resistant to fraud and manipulative activity.

¹⁵⁸ See *supra* note 115–116 and accompanying text. See also *supra* notes 119–122 and accompanying text.

¹⁵⁹ See *supra* notes 123–125.

relating to the underlying or reference assets.¹⁶⁰

Furthermore, there are substantial differences between the NYSDFS and FinCEN regulation versus the Commission's regulation of the national securities exchanges. While there may be overlap between the Commission's regulation and the NYSDFS's and FinCEN's regulation of digital assets,¹⁶¹ national securities exchanges are also, among other things, required to have rules that are "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."¹⁶² Moreover, national securities exchanges must file proposed rules with the Commission regarding certain material aspects of their operations,¹⁶³ and the Commission has the authority to disapprove any such rule that is not consistent with the requirements of the Exchange Act.¹⁶⁴ Thus, national securities exchanges are subject to

¹⁶⁰ The Sponsor "believe[s] that the Commission has correctly identified the need for, value of, and definition of surveilled derivatives market of significant size," but argues that the CME futures market is "significant in size" compared to the "real" spot market it identifies. Bitwise Submission III, *supra* note 9, at 151. See also *id.* at 97 (stating that the Sponsor "agree[s] with the Commission and recognize[s] the importance of comprehensive surveillance-sharing agreements to detect and deter fraudulent and manipulative activity," and asserting that the CME bitcoin futures market is "significant" based on the Sponsor's "understanding of the true size of the bitcoin spot market"). The argument that the CME bitcoin futures market is "significant" is addressed in Section III.B.3 below.

¹⁶¹ See *CFTC v. McDonnell*, 287 F. Supp. 3d 213, 220–23, 228 (E.D.N.Y.), adhered to on denial of reconsideration, 321 F. Supp. 3d 366 (E.D.N.Y. 2018).

¹⁶² 15 U.S.C. 78f(b)(5).

¹⁶³ 17 CFR 240.19b–4(a)(6)(i).

¹⁶⁴ Section 6 of the Exchange Act, 15 U.S.C. 78f, requires national securities exchanges to register with the Commission and requires an exchange's registration to be approved by the Commission, and Section 19(b) of the Exchange Act, 15 U.S.C. 78s(b), requires national securities exchanges to file proposed rules changes with the Commission and provides the Commission with the authority to disapprove proposed rule changes that are not consistent with the Exchange Act. Designated Contract Markets (commonly called "futures markets") registered with and regulated by the CFTC must comply with, among other things, a similarly comprehensive range of regulatory principles and must file rule changes with the CFTC. See, e.g., Designated Contract Markets (DCMs), CFTC, available at <http://www.cftc.gov/IndustryOversight/TradingOrganizations/DCMs/index.htm>.

Commission oversight of, among other things, their governance, membership qualifications, trading rules, disciplinary procedures, recordkeeping, and fees.¹⁶⁵

In any event, the Commission also finds persuasive several commenters that describe the deficiencies of regulation of the purportedly “real” spot market the Sponsor utilizes.¹⁶⁶ Significantly, Binance, based in Malta and the single largest bitcoin trading platform among the platforms the Sponsor identifies as “real”—representing 39% of the purportedly “real” bitcoin volume¹⁶⁷—has not registered with either FinCEN or the NYSDFS; four of the ten platforms the Sponsor utilizes—representing 69% of the purportedly “real” bitcoin volume¹⁶⁸—do not have a BitLicense

¹⁶⁵ See Winklevoss Order, *supra* note 12, 83 FR at 37597. The Commission notes that the NYSDFS has issued “guidance” to supervised virtual currency business entities, stating that these entities must “implement measures designed to effectively detect, prevent, and respond to fraud, attempted fraud, and similar wrongdoing.” See Maria T. Vullo, Superintendent of Financial Services, NYSDFS, *Guidance on Prevention of Market Manipulation and Other Wrongful Activity* (Feb. 7, 2018), available at <https://www.dfs.ny.gov/docs/legal/industry/il180207.pdf>. The NYSDFS recognizes that its “guidance is not intended to limit the scope or applicability of any law or regulation” (*id.*), which would include the Exchange Act. One commenter asserts that, since the NYSDFS issued this guidance, “BitLicense exchanges have implemented sophisticated market surveillance tools from reputable firms like NICE Actimize, Irisium and NASDAQ, helping to foster a safer and more established crypto asset market.” Castle Island Ventures Letter, *supra* note 9, at 3. However, the commenter provides no additional information in support of these assertions, and the Commission cannot fully evaluate the NYSDFS guidance because, among other things, there is nothing further in the record before the Commission regarding how the NYSDFS guidance has been implemented either by the NYSDFS or by the purportedly “real” bitcoin trading platforms that hold BitLicenses. FinCEN’s guidance regarding the application of its regulations to digital assets notes that its guidance does not “affect the obligations of any of the participants described herein under other regulatory frameworks,” for example, obligations under “federal securities law.” FinCEN Guidance No. FIN-2019-G001: Application of FinCEN’s Regulation to Certain Business Models Involving Convertible Virtual Currencies, at 24 n.75 (May 9, 2019), available at <https://www.fincen.gov/sites/default/files/2019-05/FinCEN%20Guidance%20CVC%20FINAL%200508.pdf>. See also FinCEN Guidance No. FIN-2013-G001: Application of FinCEN’s Regulations to Persons Administering, Exchanging, or Using Virtual Currencies, at 1 n.1 (Mar. 18, 2013), available at <https://www.fincen.gov/sites/default/files/shared/FIN-2013-G001.pdf> (noting that FinCEN’s guidance “should not be interpreted as a statement by FinCEN about the extent to which [certain] activities comport with other federal or state statutes, rules, regulations, or orders.”).

¹⁶⁶ See *supra* notes 129–131 and accompanying text.

¹⁶⁷ See Bitwise Submission II, *supra* note 9, 35 (based on April 2019 volume).

¹⁶⁸ See Bitwise Submission III, *supra* note 9, at 125.

from the NYSDFS; and half of the bitcoin platforms the Sponsor utilizes lack internal or third-party market surveillance tools.¹⁶⁹

The Commission also notes that NYSE Arca has not stated that it has entered or will enter into surveillance-sharing agreements with those “real” spot platforms that utilize surveillance tools. Moreover, even if NYSE Arca did enter into such agreements, it is not clear what ability NYSE Arca would have to compel the sharing of surveillance data. Unlike national securities exchanges, the bitcoin spot platforms are not self-regulatory organizations, and therefore do not have legal power to impose discipline upon their participants.

Therefore, the Commission concludes that the record does not demonstrate that the identified “real” market is uniquely resistant to manipulation, such that a surveillance-sharing agreement with a significant, regulated market would not be needed to adequately deter and detect fraud and manipulation.

(c) The Sponsor’s Methodology for Distinguishing the “Real” Volume on the Bitcoin Spot Market From Fake or Non-Economic Trading Volume

In the previous section, the Commission examines the Sponsor’s identified “real” spot market for bitcoin and asserted characteristics of that market, such as the presence of arbitrage and regulation, and considers whether the record establishes that this segment of the market is uniquely resistant to manipulation.¹⁷⁰ And, as discussed further in the next section, the Sponsor generally proposes to use prices and volumes from its identified “real” platforms to calculate the Bitwise Bitcoin Daily Reference Price, which the Trust will use for NAV and IIV pricing.¹⁷¹ Yet, for the Commission to determine that effective arbitrage and regulation make this “real” segment of the market uniquely resistant to manipulation, the Commission would have to conclude that the Sponsor’s analysis correctly identifies the segment

¹⁶⁹ See *supra* notes 115, 117–122, and accompanying text. The Sponsor’s discussion about what protections the platforms Binance and Kraken have in place in the absence of FinCEN or BitLicense registration, see *supra* notes 126–128 and accompanying text, arguably infers the presence of some of the protections that might otherwise be provided by these specific registrations, rather than show a unique level of protection. In addition, the Sponsor notes that one platform (Bittrex) pursued a BitLicense but was denied by the NYSDFS, see *supra* note 126, but does not explain how the mere fact that this platform applied for a BitLicense is relevant to the consideration of whether that platform is regulated.

¹⁷⁰ See *supra* Section III.B.1(b).

¹⁷¹ See *infra* Section III.B.1(d).

of the market that represents “real” volume and establishes that this segment is not affected by trading in other segments of the market that the Sponsor concedes is fake or non-economic. Therefore, the Commission examines below the Sponsor’s analysis of the bitcoin market to identify “real” versus fake or non-economic trading and the reliability of the Sponsor’s claims that its ten identified platforms represent the “real” volume on the spot bitcoin market. Further, the Commission examines whether the Sponsor has shown that prices on the broader bitcoin market do not influence price discovery on the identified “real” platforms.

(i) Representations Made and Comments Received

The Sponsor argues that through its research, it has identified certain platforms that represent substantially all of the “real” global spot market for bitcoin, as distinguished from the approximately 95% of the bitcoin spot market that the Sponsor identifies as rife with trading that is fake or non-economic in nature.¹⁷² In this context, the Sponsor considers as “fake volume” any reported trading volume that does not reflect legitimate price discovery, including wash trading and reports of trades that did not occur.¹⁷³ The Sponsor states that it has analyzed 83 platforms using three tests, described further below, and claims that, based on its analysis, the following ten platforms have “real” volume—Binance, Bitfinex, Coinbase Pro, Kraken, Bitstamp, bitFlyer, Gemini, itBit, Bittrex, and Poloniex.¹⁷⁴ The Sponsor states that the average daily volume on these platforms for April 2019 was \$554,488,345.¹⁷⁵ According to the Sponsor, these results suggest that \$10.5 billion of the \$11 billion in reported average daily spot bitcoin volume, or roughly 95% of all reported volume, is fake volume or wash trading.¹⁷⁶

The Sponsor represents that platforms inflate or exaggerate trade volume in several ways, including by fraudulently

¹⁷² See Notice and OIP, *supra* note 7, 84 FR at 23129–30; Bitwise Submission I, *supra* note 6, at 60; Bitwise Submission II, *supra* note 9, at 34–35. The Sponsor states that the goal of its research was to identify those platforms with a significant prevalence of fake volume in a repeatable, data-driven manner. See Bitwise Submission II, *supra* note 9, at 19.

¹⁷³ See Bitwise Submission II, *supra* note 9, at 19; Registration Statement, *supra* note 31, at 3, 23–24. The Sponsor describes transactions that are reported by a platform without corresponding trading taking place as “fraudulent prints.” See Bitwise Submission II, *supra* note 9, at 19.

¹⁷⁴ See Bitwise Submission II, *supra* note 9, at 34–35.

¹⁷⁵ See *id.* at 35.

¹⁷⁶ See *id.*

printing trades, engaging directly in wash trading on their own platforms, and paying market makers to engage in wash trading.¹⁷⁷ The Sponsor further asserts that platforms have two powerful motives for exaggerating volume— attracting trader attention by appearing higher on data aggregators' league tables (*i.e.*, rankings for trading platforms) and attracting listings and attendant listing fees from initial coin offerings.¹⁷⁸ In addition to the Sponsor's efforts to distinguish platforms with predominantly fake or non-economic trading from platforms with "real" volume,¹⁷⁹ the Sponsor provides other evidence of fake or non-economic trading in the bitcoin market.¹⁸⁰

The Sponsor claims that the results of its analysis are consistent with the findings from a previous similar study by the Sponsor using data from an earlier time period that identified the same ten platforms as having "actual volume."¹⁸¹ The Sponsor asserts that

¹⁷⁷ See *id.* at 36–37. The Sponsor also represents that platforms economically incentivize trading activity by paying traders to trade and offer lower fee tiers or preferential trading to traders that attain high volumes of trade. See *id.* at 37. One commenter states that proprietary trading is standard on most platforms and makes up 20% of trading on some platforms. See Shenoy Letter III, *supra* note 69, at 1.

¹⁷⁸ See Bitwise Submission II, *supra* note 9, at 37.

¹⁷⁹ See *infra* Section III.B.1(c).

¹⁸⁰ See Notice and OIP, *supra* note 7, 84 FR at 23129 (describing that, in connection with the Sponsor's initial analysis, the Sponsor has identified several widespread, superficial indicators of fake or non-economic trading volume, including perfectly consistent, alternating buy and sell orders of roughly equal size, relatively large reported spreads on platforms that report large volumes, relatively small real-world footprints for platforms with large reported volumes, multiple hours and days with zero volume not correlated with factors such as business hours or volatility, and roughly identical volume every hour of every day); Bitwise Submission I, *supra* note 6, at 24–39 (comparing Coinbase Pro, as a platform with a BitLicense that is generally well-known, with platforms CoinBene, RightBTC, and CHAOEX, and describing trading characteristics of the "suspicious" platform); Bitwise Submission II, *supra* note 9, at 6–12 (asserting that the current reported data on bitcoin trading volume is surprising and describing the history of concerns around data reliability in the bitcoin market).

¹⁸¹ See Bitwise Submission I, *supra* note 6, at 60; Bitwise Submission II, *supra* note 9, at 35. The earlier study focused on data from March 4, 2019, through March 9, 2019, and the later study focused on data from April 28, 2019, through May 5, 2019. See Bitwise Submission II, *supra* note 9, at 19, 35. The Sponsor states that the earlier study showed that the "real" average daily spot bitcoin volume was \$273 million, as compared to \$6 billion in reported volume, indicating that roughly 95% of the volume was fake. See *id.* at 35. See also Notice and OIP, *supra* note 7, 84 FR at 23129–30; Bitwise Submission I, *supra* note 6, at 61. The Sponsor further represents that, in the earlier study, it excluded South Korean platforms from its analysis because they are an isolated market due to capital controls and that one additional platform passed all tests but was too small, with less than \$1 million average daily volume, to include as an identified

after the findings from its earlier study became public, it received extensive media coverage and support from social media and thought leaders.¹⁸² According to the Sponsor, the results were also widely embraced by leading data providers in the digital asset market, with several displaying volume statistics based on the ten identified "real" platforms or admitting that concerns about reported data are "valid" and subsequently working to improve data transparency.¹⁸³ The Sponsor represents that nine of the platforms identified as having fake or non-economic volume reported a drop in volume of over 90% after the Sponsor's analysis became public.¹⁸⁴ In addition, the Sponsor asserts that data patterns on certain platforms rapidly shifted to match the real-world patterns identified by the Sponsor.¹⁸⁵ Further, the Sponsor asserts that its findings are consistent with the "common institutional understanding" of the actual market.¹⁸⁶

Several commenters question the Sponsor's findings, which were made public after its initial study.¹⁸⁷ One commenter argues that the Sponsor's analysis raises more questions than it answers and that, with manipulation a prime issue, if 95% of the platforms are

"real" platform. See Bitwise Submission I, *supra* note 6, at 60.

¹⁸² See Bitwise Submission II, *supra* note 9, at 35–36. See also Bitwise Submission VI, *supra* note 9, at 13.

¹⁸³ See Bitwise Submission II, *supra* note 9, at 103–104; Bitwise Submission III, *supra* note 9, at 131. See also Bitwise Submission VI, *supra* note 9, at 14 (asserting that *coinmarketcap.com* confirmed that concerns raised in the report were "valid" and launched an initiative to improve its metrics, two digital asset data providers adopted the ten identified "real" platforms as representing the market, and one digital asset data provider launched transparency ratings that require verified data feeds for platforms with volume claims).

¹⁸⁴ See Bitwise Submission VI, *supra* note 9, at 15 (comparing average daily volume from March 2019 and August 2019). The Sponsor also represents that only three of the 73 platforms that it named as having fake or non-economic volume responded to the Sponsor's research. See *id.* at 16.

¹⁸⁵ See *id.* at 18–21.

¹⁸⁶ Bitwise Submission I, *supra* note 6, at 70. The Sponsor asserts that (1) every regulated digital asset product that has launched has drawn prices entirely, or almost entirely, from a subset of the ten "real" platforms; (2) the ten "real" platforms dominated the list of thirteen platforms that the New York Attorney General contacted as part of its Virtual Markets Integrity Initiative; (3) the Blockchain Transparency Institute identified 56 platforms suspected of having fake volume, none of which are among the ten "real" platforms; and (4) other media-level investigations have reached similar conclusions. See *id.* at 70–71.

¹⁸⁷ See Arsov Letter, *supra* note 6 (stating that he disputes and disagrees with most of the statements and findings in the Sponsor's initial analysis and that the Sponsor does not know what market manipulation in digital assets looks like); Denscombe Letter, *supra* note 6 (stating that the report is inaccurate, misleading, and unfair).

reporting fake volume, then it is unwise to base an ETP on the remaining 5%.¹⁸⁸ Another commenter asserts that articles about the Sponsor's initial study on online media were not a coincidence because online media has a financial interest in priming, or manipulating, the public to enhance its image, to poach customers, or to drive sales through fear of missing out on an investment.¹⁸⁹ One commenter states that issues about manipulation on the platforms, as discussed in articles about the Sponsor's initial study, have not been satisfactorily resolved.¹⁹⁰

The Sponsor describes that, to gather data for its analysis, it has built its own data collection system using the live trading information available on the bitcoin spot platforms' websites about the current order book and recent trades.¹⁹¹ The Sponsor represents that its data collection process scrapes data from these websites four times a second, collecting price, trade size, and on-screen timestamp for ongoing trades, and bid/ask price, order amount, and timestamp of recording the data for order book entries.¹⁹² The Sponsor states that it was common for the data collection process to break down, and that it monitored its data collection process to stop problems with the data scrapers and prepared fixes, but there were gaps in the data that it has accounted for in the analytical phase.¹⁹³ In addition, the Sponsor states that it has acquired historical bitcoin trade data from third parties for parts of the analysis that require a continuous historical data set.¹⁹⁴

Several commenters raise concerns about the Sponsor's data collection methods. One commenter claims that accessing data through trading

¹⁸⁸ See C. Ross Letter, *supra* note 6. See also Buckley Letter, *supra* note 6 (suggesting that the Sponsor is asking the Commission to grant approval based on its word that, while 95% of the bitcoin volume is manipulated, the other 5% is not).

¹⁸⁹ See Denscombe Letter, *supra* note 6.

¹⁹⁰ See Fitzgerald Letter I, *supra* note 6.

¹⁹¹ See Bitwise Submission II, *supra* note 9, at 14. The Sponsor states that the inability to gather granular market data from a comprehensive set of bitcoin platforms has made proving the existence of fake volume on platforms difficult. See *id.* The Sponsor asserts that it created and now maintains a website that captures the "real" spot bitcoin trading volume on an ongoing basis. See Bitwise Submission III, *supra* note 9, at 131.

¹⁹² See Bitwise Submission II, *supra* note 9, at 16. See also Notice and OIP, *supra* note 7, 84 FR at 23129 (describing a similar data collection process in connection with the Sponsor's earlier analysis); Bitwise Submission I, *supra* note 6, at 41.

¹⁹³ See Bitwise Submission II, *supra* note 9, at 18. According to the Sponsor, the data collection process would break if the html structure of the web page being scraped changed in any meaningful way, which was a common occurrence. See *id.*

¹⁹⁴ See *id.*

platforms' websites is more appropriate for illustration than research because these websites are not updated in real time, or even within a quarter of a second, and therefore this collection method can access only a fraction of the trades.¹⁹⁵ Another commenter asserts that it is plausible that a group of bad of actors have used trading bots to manipulate the data on the other platforms to secure approval of an ETP.¹⁹⁶ This commenter also states that it has concerns about the data presented, because a single organization conducted the study, the methodology and data source are unclear, and the traffic data are only collected from a single source.¹⁹⁷ A third commenter questions whether the data used to identify the platforms reporting fake volume are reliable.¹⁹⁸

The Sponsor states that it has selected the platforms to analyze by creating a list of 83 platforms that represent the top bitcoin trading pairs on *coinmarketcap.com* as of December 5, 2018.¹⁹⁹ The Sponsor adds that it has considered all trading pairs where bitcoin is the base currency, or where the quote currency is either a fiat currency or a stablecoin.²⁰⁰ Further, the Sponsor argues that, while new platforms with astronomical volumes have appeared every week on *coinmarketcap.com*, leading the list of platforms representing the top bitcoin trading pairs to become stale quickly, that list is sufficiently consistent that the core analysis remains relevant.²⁰¹

With respect to the bitcoin over-the-counter ("OTC") market, the Sponsor claims that its "[c]onversations with leading market makers" suggest that very little bitcoin OTC volume is crossed internally and that most volume is settled on the spot platforms.²⁰² The Sponsor asserts that any incremental volume in the OTC or dark pool market is not a significant fraction of the global spot market for bitcoin, and that counting these trades separately would mostly lead to double counting.²⁰³

Several commenters question the Sponsor's selection of certain bitcoin platforms for its analysis, to the exclusion of other platforms and the OTC market. One commenter argues that the Sponsor selectively analyzed data, excluding many factors.²⁰⁴ This commenter states that the Sponsor excluded platforms from South Korea on the basis of capital controls, but included platforms from China and Hong Kong, where capital controls are also in place.²⁰⁵ This commenter also claims that the Sponsor's selection of trading pairs is unusual because the market is not based solely on the chosen trading pairs and there are arbitrage opportunities in trading digital assets against other digital assets.²⁰⁶ Another commenter argues that, while the Sponsor suggests that virtually all trading occurs on non-Asian platforms, it is unlikely that Asian investors would use United States or European Union-based platforms and be subject to their capital controls, and that the Sponsor ignores trading on both the Hong Kong-based platform Bitmex and OTC trading.²⁰⁷ This commenter states that a previous ETP filer claimed that OTC volume among United States-based brokers is \$500 million a day, and that, even if this figure is overstated, it suggests that global average daily volume in bitcoin is significantly higher than \$273 million.²⁰⁸ Another commenter argues that, even if capital-controlled markets present difficulties for arbitrage, it does not mean that market participants in these capital-controlled markets cannot participate in, influence, or manipulate the bitcoin market.²⁰⁹ This commenter asserts that market participants in Venezuela, Zimbabwe, and other significant capital-controlled countries participate in the bitcoin market and that getting around capital controls to participate in and

the Winklevoss Bitcoin Trust, which described "dark pools" as bitcoin trading platforms that do not publicly report limit order book data. See Winklevoss Bitcoin Trust, Form S-1/A (File No. 333-189752), at 62.

²⁰⁴ See Fitzgerald Letter II, *supra* note 9. See also C. Ross Letter, *supra* note 6 (asserting that the ten identified platforms seem "rather convenient" for the Sponsor to build its case upon).

²⁰⁵ See Fitzgerald Letter II, *supra* note 9.

²⁰⁶ See *id.*

²⁰⁷ See Blake Letter I, *supra* note 6. See also Arsov Letter, *supra* note 6 (stating that two-thirds or more of digital asset trading occurs outside of the United States, but most of the ten identified platforms on the list are based in the United States and reflect only a fraction of the total trades).

²⁰⁸ See Blake Letter I, *supra* note 6. See also Shenoy Letter III, *supra* note 69, at 6, 9 (claiming that OTC bitcoin volume typically is 2-3 times larger than volumes on platforms and that an estimated 1 to 1.5 billion bitcoins are traded on the OTC market daily).

²⁰⁹ See Robert Letter, *supra* note 9.

manipulate the market is not difficult.²¹⁰

The Sponsor states that it used a single week time period—April 28, 2019, through May 5, 2019—for its visualized data to balance concerns that too short a period may not give natural market patterns enough time to develop, and that too long a period may make anomalous patterns less distinct, because platforms attempting to fake volume may periodically change their algorithms.²¹¹ According to the Sponsor, it has based its analysis on data from the last week before it finalized the research, to be as current as possible, but the Sponsor asserts that any single week sample would lead to a similar conclusion.²¹²

The Sponsor states that one tool that it has used for its analysis is a trade size histogram, which is a data visualization technique that allows one to see the percentage of trading volume on a platform that occurs at particular trade sizes over a specified period.²¹³ The Sponsor asserts that it has cut off the histograms after 10 bitcoins because the vast majority of trade volume occurs in the 0-10 bitcoins range, and the Sponsor finds it "visually helpful" to focus on this range.²¹⁴ The Sponsor has used the six platforms with BitLicenses as a baseline for what a group of legitimate trade size histograms look like, because, according to the Sponsor, the BitLicense establishes a conservative set of platforms that are not likely to have pervasive fake volume or wash trading.²¹⁵ The Sponsor states that it finds two patterns among the platforms with BitLicenses—trade volume percentages generally trend downward as trade size increases and there are behavioral preferences around round numbers—and that these patterns are consistent with documented trading behavior in traditional markets.²¹⁶ The Sponsor argues that, in contrast, six platforms outside the set of platforms with BitLicenses follow unnatural patterns and that the only realistic

²¹⁰ See *id.*

²¹¹ See Bitwise Submission II, *supra* note 9, at 19. See also Notice and OIP, *supra* note 7, 84 FR at 23129 (stating that when selecting March 4, 2019, through March 8, 2019, as the time period for its earlier analysis, the Sponsor deliberately utilized a short time period to show that fake volume is a current problem in the bitcoin market and because platforms change algorithms used to fake volume over time, which obscures the results of data-driven analyses that consider longer time periods).

²¹² See Bitwise Submission II, *supra* note 9, at 19.

²¹³ See *id.*

²¹⁴ See *id.* at 20-21.

²¹⁵ See *id.* at 21.

²¹⁶ See *id.* at 22-23. See also Bitwise Submission I, *supra* note 6, at 26 (stating that the "real" platform Coinbase Pro has varying trade sizes, with a greater-than-random number of round trade sizes).

¹⁹⁵ See Arsov Letter, *supra* note 6.

¹⁹⁶ See Denscombe Letter, *supra* note 6.

¹⁹⁷ See *id.*

¹⁹⁸ See C. Ross Letter, *supra* note 6.

¹⁹⁹ See Bitwise Submission II, *supra* note 9, at 15.

With respect to the Sponsor's earlier analysis, the Sponsor represents that it has generated a list of 81 platforms to analyze at that time by looking at all platforms reporting more than \$1 million in average daily volume for bitcoin-fiat and bitcoin-stablecoin pairs to *coinmarketcap.com* on December 5, 2018. See Notice and OIP, *supra* note 7, 84 FR at 23129; Bitwise Submission I, *supra* note 6, at 41.

²⁰⁰ See Bitwise Submission II, *supra* note 9, at 15.

²⁰¹ See *id.* at 18.

²⁰² See Bitwise Submission III, *supra* note 9, at 133.

²⁰³ See *id.* In this context, the term "dark pool" is used as described in the registration statement for

explanation is that these platforms are reporting artificial volume.²¹⁷

The Sponsor states that the second tool it has used for its analysis is an examination of the alignment of volume spikes, asserting that, while the bitcoin spot market is fractured across multiple platforms, all of these platforms should respond to the same developments in the market.²¹⁸ The Sponsor claims that the hourly trade volume for one platform with a BitLicense, Coinbase Pro, shows varying volume throughout the day, a pattern of volume that does not repeat across days, and several large volume spikes.²¹⁹ The Sponsor further claims that the six platforms with BitLicenses all exhibit similar patterns, with an obvious alignment of volume spikes, particularly around May 3, 2019, and argues that this demonstrates a connected market.²²⁰ In contrast, the Sponsor points to the volume patterns of six platforms outside of the reference set of platforms with BitLicenses and asserts that they exhibit idiosyncratic and highly unusual volume patterns and lack volume spikes that align with platforms in the “real” bitcoin market, strongly suggesting that these platforms are posting fake volume.²²¹

The third tool that the Sponsor says it has used for its analysis is a spread patterning analysis based on the spread

between the highest price at which someone is willing to buy bitcoin and lowest price at which someone is willing to sell bitcoin, denominated in dollars.²²² The Sponsor asserts that the spread on Coinbase Pro shows price oscillation and is generally quite low and anchored near zero.²²³ The Sponsor further claims that the spreads on the six platforms with BitLicenses generally have low spreads, that the spikes in spreads are short-lived, and that the spreads exhibit a consistently spiky form, suggesting that they are responding to current events.²²⁴ The Sponsor asserts that the differences between the spreads on the platforms with BitLicenses are driven by differences in fee structures, such as the use of a maker-taker fee model by some platforms.²²⁵ In contrast, the Sponsor claims that the spread analysis for six platforms outside the reference set shows spreads that are anchored on high dollar amounts and oscillate in artificial patterns.²²⁶ According to the Sponsor, there is no economic reason for these spread patterns if there is true liquidity on the platforms and these patterns indicate the presence of automated bots that perform wash trading.²²⁷

In conclusion, the Sponsor finds that only ten of the 83 platforms it analyzed have “real” volume because they passed all three tests, whereas 73 platforms failed one or more of its tests.²²⁸ As discussed further below, the Sponsor

subsequently removed one platform, Bitfinex, from its selection of platforms used for the Trust’s NAV and IIV pricing, due to a court order obtained by the New York Attorney General (“NYAG”) against Bitfinex’s operator,²²⁹ but the Sponsor maintains that Bitfinex’s volume is “real.”²³⁰

Two commenters raise specific concerns about the Sponsor’s methods of analysis.²³¹ One commenter states that the Sponsor has not provided a longitudinal picture of all of the platforms and that the time period used for the visualized data is a very short snapshot.²³² This commenter asserts that the narrative of the Sponsor’s report could look very different if trades larger than 10.0 bitcoins were included and that the report is not complete due to this exclusion.²³³ This commenter also notes that the Sponsor focuses most of its analysis on the six platforms with a BitLicense, rather than all ten of the platforms that the Sponsor identifies as “real.”²³⁴ Another commenter disagrees with the Sponsor’s assertion that market participants are more likely to trade small amounts of bitcoin than large amounts, and more likely to trade whole bitcoin than fractions of bitcoin, and claims that the order books on the ten “real” platforms show people trading more in fractions of bitcoin than whole amounts of bitcoin.²³⁵ This commenter argues that before being used as a basis for granting an ETP, the Sponsor’s analysis should be scrutinized regarding the methodology and where data was acquired, independent verification of the claims, and multiple sources for data collection.²³⁶

Several commenters raise questions about specific platforms that the

²¹⁷ See Bitwise Submission II, *supra* note 9, at 23–24. The Sponsor also argues that the discrepancy in trading patterns cannot be attributed to low volume, because the six platforms outside the reference set all report volumes that are greater than that of the largest platform with a BitLicense. See *id.* at 24. The Sponsor states that in its earlier analysis, it finds that the trade size histograms for the platforms that have passed all of its data tests show consistent, intuitive patterns, while those from other platforms reflect patterns that are idiosyncratic and often transparently programmatic (e.g., bell curve-like distributions or increasing volume for larger trade sizes). See Notice and OIP, *supra* note 7, 84 FR at 23129; Bitwise Submission I, *supra* note 6, at 42–50. See also Bitwise Submission I, *supra* note 6, at 32, 55–57.

²¹⁸ See Bitwise Submission II, *supra* note 9, at 24.

²¹⁹ See *id.* at 25.

²²⁰ See Bitwise Submission II, *supra* note 9, at 26–27. See also Bitwise Submission I, *supra* note 6, at 25, 27 (stating the “real” platform Coinbase Pro has a trade volume that varies, with a mix between buys and sells that is unequal and streaky).

²²¹ See Bitwise Submission II, *supra* note 9, at 27–29. The Sponsor claims that none of the six platforms outside the reference set have volume spikes that align with the May 3, 2019, spike that was present in all platforms within the reference set. See *id.* at 29. The Sponsor states that in its earlier analysis, it finds that volume spikes rise and fall concurrently across the platforms that have passed all data tests, but other platforms have no discernable volume spikes or patterns that are disconnected or wholly idiosyncratic and do not repeat on other platforms. See Notice and OIP, *supra* note 7, 84 FR at 23129; Bitwise Submission I, *supra* note 6, at 51–52. See also Bitwise Submission I, *supra* note 6, at 29–31, 35–36, 38–39, 55–57 (also noting that essentially all of the trades on one “suspicious” platform print inside the prevailing bid and ask).

²²² See Bitwise Submission II, *supra* note 9, at 29.

²²³ See *id.* at 29–30. See also Bitwise Submission I, *supra* note 6, at 28 (stating that the spread of bitcoin on the “real” platform Coinbase Pro was \$0.01, or 0.0003% of bitcoin’s current trading price).

²²⁴ See Bitwise Submission II, *supra* note 9, at 31–32.

²²⁵ See *id.* at 32.

²²⁶ See *id.* at 33–34.

²²⁷ See *id.* at 34. The Sponsor states that, in its earlier analysis, it finds that well-known platforms show a consistent pattern of spreads, anchoring on zero, with random variability and periodic spikes, while many platforms with very high levels of volume report average spreads that are 1,000% to 35,000% higher than spreads on platforms that have passed all of the Sponsor’s tests and exhibit spread patterns that reveal artificial, programmatic drivers, including spreads that unnaturally anchor on arbitrarily high dollar values or stay fixed for extended periods. See Notice and OIP, *supra* note 7, 84 FR at 23130; Bitwise Submission I, *supra* note 6, at 53–54. See also Bitwise Submission I, *supra* note 6, at 33, 37, 55–56.

²²⁸ See Bitwise Submission II, *supra* note 9, at 34–35. For the trade histograms, volume graphs, and spread graphs of all 83 platforms that the Sponsor has analyzed, see *id.* at 86–102. The Sponsor states that it is excluding those platforms based in South Korea, because their volumes are isolated from the global bitcoin market due to capital controls. See *id.* at 34. However, the Sponsor also states that 73 of the 83 platforms failed one or more of the three tests (see *id.*), and the Commission notes that this figure includes the South Korean platforms.

²²⁹ See *infra* notes 325, 331–338, and accompanying text.

²³⁰ See Bitwise Submission V, *supra* note 9, at 5. The Sponsor argues that having real volume and being ineligible to contribute prices to the Trust’s pricing mechanism are not mutually exclusive, and that Bitfinex has passed all of the Sponsor’s tests for having real volume. See *id.* The Sponsor asserts that the Bitwise Crypto Index Committee reviewed the NYAG’s court order against iFinex (the operator of Bitfinex) and subsequent legal documents, and found no evidence contradicting the Sponsor’s finding that the Bitfinex volume is real. See *id.* at 5–6 (arguing that, as further evidence that trading on Bitfinex is real, the court documents confirm that investors deposited billions of dollars with the platform).

²³¹ See Denscombe Letter, *supra* note 6; Fitzgerald Letter II, *supra* note 9.

²³² See Fitzgerald Letter II, *supra* note 9.

²³³ See *id.*

²³⁴ See *id.*

²³⁵ See Denscombe Letter, *supra* note 6 (stating that the platforms show orders of 15 to 33 bitcoins).

²³⁶ See *id.* (asserting that, to be fair to all of the organizations studied, there would need to be at least five years’ worth of longitudinal data from the ten “real” platforms for independent analysis for any abnormalities and irregularities).

Sponsor identifies as “real.”²³⁷ One commenter asserts that Bitfinex has long had questions raised about its operations, and that while the Sponsor has sound reasoning for dropping Bitfinex from its consolidated bitcoin price, the deletion raises questions about why the Sponsor ever included Bitfinex in its consolidated price, along with Binance, another non-United States domiciled platform with a “colorful past.”²³⁸ Another commenter asserts that it is “essential” to further analyze Binance and Kraken because Binance has not registered as an MSB and Kraken has not pursued a BitLicense, and both platforms have had recent negative press.²³⁹ A third commenter represents that, in April 2018, Kraken refused to answer the NYAG’s inquiry into the bitcoin market, which heightens the need to independently analyze longitudinal data from the “real” platforms.²⁴⁰

One commenter asserts that it seems unlikely that there are zero platforms that have a mixture of some real and some fake volume, and that the more likely scenario is that some platforms are faking some of their volume and therefore the “true” volume in the “real” bitcoin market is certainly higher than the Sponsor’s calculation.²⁴¹ In response to this commenter, the Sponsor acknowledges that there is likely a gray area between platforms with 100% real volume and 100% fake volume.²⁴² According to the Sponsor, the 73 platforms that it has not identified as “real” platforms include an occasional example that “doesn’t seem outright fake.”²⁴³ The Sponsor cites as an example its analysis of the Gate.io platform, and the Sponsor acknowledges that there is room to reasonably argue whether Gate.io’s volume is fake or whether some percentage of its volume should be included in the total “real” volume.²⁴⁴

²³⁷ See Blake Letter I, *supra* note 6; Blake Letter II, *supra* note 9; Denscombe Letter, *supra* note 6; Fitzgerald Letter II, *supra* note 9.

²³⁸ See Blake Letter II, *supra* note 9 (stating that Tether and Bitfinex’s connections to Tether “are just too painful to even write about at this time”). See also Blake Letter I, *supra* note 6 (questioning the Sponsor’s claim that Binance is a European Union-based Maltese company).

²³⁹ See Fitzgerald Letter II, *supra* note 9 (representing that the Kraken CEO stated that, among other things, bitcoin traders want minimal documentation for onboarding and do not care about many of the things that concern regulators, including regulatory approval and protection from risky investments and market manipulation).

²⁴⁰ See Denscombe Letter, *supra* note 6.

²⁴¹ See Blake Letter I, *supra* note 6.

²⁴² See Bitwise Submission II, *supra* note 9, at 38.

²⁴³ See *id.*

²⁴⁴ See *id.* (stating that the trade size histogram for Gate.io does not show the expected spikes

However, the Sponsor asserts that Gate.io does not have enough volume to meaningfully alter the Sponsor’s conclusions, which would not change even if the Sponsor counted all of Gate.io’s volume as “real.”²⁴⁵

The Sponsor argues that to address whether the total “real” volume should be higher, it should focus, among the platforms it has identified as “fake,” on those platforms with more significant reported volume.²⁴⁶ The Sponsor asserts that, when it shared its initial analysis on Twitter, the public closely examined its work and raised questions about certain platforms that were not included in the list of “real” platforms but that the public believed had real-world footprints; but only three of these platforms had “meaningful” volume—HitBTC, Huobi, and OKEx.²⁴⁷ The Sponsor claims that its analysis for OKEx shows that the vast majority of OKEx’s bitcoin volume is entirely fake, based on the volume spike analysis for April 28, 2019, through May 5, 2019, showing a nearly constant hourly volume with an extremely muted spike on May 3, 2019, along with a trade size histogram that shows no round-number spikes, an atypical rise in volume between 1 and 6 bitcoins, and an unusually long tail volume above 6 bitcoins.²⁴⁸ In addition, the Sponsor states that it believes that HitBTC’s volume is predominantly wash trading because the trade size histogram shows almost no volume after 0.5 bitcoin, with no spikes at round numbers, and the hourly volumes are completely detached from the reference set of platforms, with most volume happening on April 29 and 30, 2019.²⁴⁹ The Sponsor further claims that while Huobi appeared to fare well on the Sponsor’s tests, weekly trade size histograms for Huobi from the weeks before and after the Sponsor’s initial analysis became public indicate that those engaging in wash trading at Huobi changed their trade size signatures to be more in line

around 1.0 or 2.0 bitcoins, that the volume spike analysis shows hourly volume that seems more patterned than the reference set with a muted volume peak on May 3, 2019, and that the spread patterning analysis shows a high median spread around \$4).

²⁴⁵ See *id.* (comparing Gate.io’s reported \$12 million average daily volume in April 2019 to the \$554 million total daily volume of the ten “real” platforms).

²⁴⁶ See *id.*

²⁴⁷ See *id.* at 38–39 (stating that the April 2019 average daily volume on HitBTC, Huobi, and OKEx was \$127,010,643, \$128,043,683, and \$228,879,610, respectively).

²⁴⁸ See *id.* at 39.

²⁴⁹ See *id.*

with, and thereby evade, the Sponsor’s detection methods for fake volume.²⁵⁰

The Sponsor also points to three independent, third-party researchers that estimated the amount of real volume at HitBTC, Huobi, and OKEx, and “seem to agree” that OKEx’s volume is nearly entirely fake and that the vast majority of volume on HitBTC and Huobi is fake.²⁵¹ The Sponsor states that, if it incorporates the simple weighted average of these estimates (as applied to the reported volume statistics for the three platforms for April 2019) to the Sponsor’s calculations of “real” trading volume, it would increase the “real” average daily spot bitcoin trading volume in April 2019 to \$622 million, or 12% higher than the Sponsor’s original figure.²⁵² The Sponsor argues that while this adjustment is non-negligible, it would not materially change the Sponsor’s conclusions.²⁵³

The commenter that raised the likely mix of real and fake volume asserts in response to the Sponsor’s argument that it “seems a bit too pat an answer” for the Sponsor to essentially focus on three large platforms that have mostly fake volume and conclude that any real portion of the volume that the Sponsor identified as fake is too small to matter.²⁵⁴ This commenter argues that the Sponsor’s position ignores the hundreds of smaller platforms that might have real volume and that might, in the aggregate, make up a notable amount of total volume.²⁵⁵ This commenter represents that three small platforms that were not part of the Sponsor’s analysis lost over \$200 million in investor funds and argues that, if the vast majority of platforms have entirely fake volume or too little volume to matter, it could not be the case that these three platforms obtained

²⁵⁰ See *id.* at 40–42 (stating that trade size histograms from the period March 3, 2019, through April 14, 2019, show an anomalous pattern with a resurgence of trade volume between 5–11 bitcoins before the Sponsor’s initial analysis became public on March 21, 2019, followed by the complete disappearance of this pattern in the subsequent three weeks). The Sponsor asserts that while Huobi might have taken action to clean up wash trading after the Sponsor’s initial analysis became public, that “view is challenged” because Huobi’s reported trade volume did not meaningfully drop during that time period. See *id.* at 42–43. See also Bitwise Submission VI, *supra* note 9, at 18–21 (asserting that the trade size histograms for the platforms Coinsuper, CHAOEX, and IDAX similarly exhibited a change within the three weeks after the Sponsor’s further analysis became public).

²⁵¹ See Bitwise Submission II, *supra* note 9, at 43.

²⁵² See *id.* at 43–44. See also Bitwise Submission VI, *supra* note 9, at 17.

²⁵³ See Bitwise Submission II, *supra* note 9, at 44.

²⁵⁴ See Blake Letter II, *supra* note 9.

²⁵⁵ See *id.*

over \$200 million in client funds to lose or steal.²⁵⁶

Finally, the Sponsor asserts that the fake or non-economic trading volume does not influence price discovery in the “real” bitcoin spot market represented by the ten identified platforms.²⁵⁷ According to the Sponsor, the only ways that prices on platforms with fake volume could influence prices on platforms with real volume are: (1) If arbitrage exists between platforms with fake volume and the “real” spot market, thus spreading the impact of the “fake” platforms’ prices; or (2) if market participants take prices on platforms with fake volume as a legitimate market signal and adjust their view of the market as a result.²⁵⁸ The Sponsor argues that arbitrage cannot exist between two platforms if one platform does not have real and meaningful liquidity.²⁵⁹ Therefore, according to the Sponsor, platforms with a preponderance of fake volume cannot and do not participate in the coordinated central liquidity pool or “automatically influence” the consolidated price just by having a different price.²⁶⁰

With respect to whether market participants view platforms with fake volume as providing legitimate market signals, the Sponsor asserts that a “preponderance of the evidence” suggests that investors do not view prices or volumes on platforms with fake volume as legitimate market signals.²⁶¹ Instead, according to the Sponsor, “real investors simply ignore these fake exchanges.”²⁶² In support of its argument, the Sponsor represents that all regulated financial products, including regulated bitcoin futures in the United States and listed bitcoin ETPs in Europe, draw prices almost exclusively from a subset of the bitcoin platforms that the Sponsor identifies as having real volume.²⁶³ The Sponsor states that Coinbase Pro has the highest volume amongst platforms used for pricing regulated bitcoin products, but was ranked as the 37th largest platform by average daily volume on *coinmarketcap.com* in April 2019.²⁶⁴ According to the Sponsor, the absence of any of the platforms with larger reported volumes from the pricing mechanisms for regulated financial products suggests that the institutional

investor marketplace understands that real price discovery does not take place on these platforms and chooses to ignore them.²⁶⁵

In further support of its argument, the Sponsor asserts that leading digital asset arbitrage and execution-focused firms track only those platforms that the Sponsor identifies as having real volume.²⁶⁶ The Sponsor represents that, for example, a digital asset dealer and trading platform, SFOX, tracks prices on only eight platforms, all of which are among the ten platforms that the Sponsor identifies as having real volume.²⁶⁷ The Sponsor asserts that, as a leading digital asset dealer, SFOX has every incentive to identify as many arbitrage opportunities as possible, so its focus on these platforms “is telling.”²⁶⁸ Finally, the Sponsor argues that data aggregator league tables are extremely volatile and that the volatility of the league tables “stretches the boundaries of credulity.”²⁶⁹ According to the Sponsor, volatility in reported volume rank has “historically strengthened” the market’s understanding that these platforms are fake and “can safely be ignored.”²⁷⁰

One commenter states that, in a global digital asset market, if prices move on platforms with allegedly fake volume, the platforms with “good” volume must follow or experience losses.²⁷¹ Another commenter states that the bitcoin market is global and interconnected, and that if 95% of platforms are reporting fake volume, then it is unwise for the proposed ETP to be based on the remaining 5%.²⁷²

(ii) Analysis

The Sponsor asserts that 95% of reported bitcoin spot volume represents fake or non-economic trading, yet bases the proposed ETP on a set of platforms that the Sponsor has identified as representing real volume, will use these

²⁶⁵ See *id.* The Sponsor identifies the current pricing sources for CME bitcoin futures, CFE bitcoin futures, XBT Bitcoin Tracker One, and Amun Bitcoin ETF, and represents that these are all a subset of the platforms that the Sponsor identifies as “real.” See *id.* at 69–70.

²⁶⁶ See *id.* at 70.

²⁶⁷ See *id.*

²⁶⁸ See *id.* With respect to the two platforms that the Sponsor identifies as “real” platforms but SFOX does not include, Poloniex and Bitfinex, the Sponsor states that it “guesses” that SFOX excludes these because of difficulties conducting arbitrage. See *id.* at 70 n.182.

²⁶⁹ See *id.* at 71. The Sponsor represents that the spot bitcoin platform Fcoin had \$12 million, \$802 million, and \$1.7 billion reported average daily volume in February, March, and April 2019, respectively. See *id.* The Sponsor argues that it is “hard to believe” this rise in volume. See *id.*

²⁷⁰ See *id.*

²⁷¹ See Arssov Letter, *supra* note 6.

²⁷² See C. Ross Letter, *supra* note 6.

platforms for NAV and IIV pricing, and argues that this “real” portion of the bitcoin market is uniquely resistant to manipulation and not affected by the other 95%.²⁷³ The Sponsor and commenters recognize that a significant amount of fraudulent, manipulative, fake, or otherwise non-economic trading activity has occurred in the bitcoin market.²⁷⁴ Because Section 6(b)(5) of the Exchange Act requires that the proposal must be designed “to prevent fraudulent and manipulative acts and practices,” NYSE Arca and the Sponsor must show in this case that this fraudulent, manipulative, fake, or otherwise non-economic trading activity in the broader bitcoin market does not affect the smaller “real” portion of the bitcoin market on which the proposed ETP is based. Therefore, as a threshold matter, before discussing the Sponsor’s methods of analysis or its conclusions regarding which platforms represent “real” trading volume, the Commission considers whether the record supports the Sponsor’s assertion that “fake volume does not influence price discovery in the real bitcoin spot market.”²⁷⁵ In the absence of this showing, NYSE Arca and the Sponsor will not be able to establish that the identified “real” bitcoin market is uniquely resistant to fraud and manipulation, because prices based on fraudulent and manipulative activity on platforms with fake or non-economic volume could be used to affect prices on the identified “real” platforms.

(A) Influence of Prices on Platforms With Fake or Non-Economic Volume on Prices on Platforms With “Real” Volume

NYSE Arca and the Sponsor have failed to support the Sponsor’s assertions that the prices on platforms with fake volume do not influence prices on the “real” platforms. In particular, the record contains no data on where in the bitcoin market price formation occurs and whether or not price movements on the “real” spot platforms evidence correlation with price movements on the platforms with “fake” or non-economic volume, with one set of platforms moving at a later time than the other (*i.e.*, a “lead-lag

²⁷³ See *supra* notes 172, 257, and accompanying text.

²⁷⁴ See *supra* notes 69–73, 176–186 and accompanying text. The Commission notes that while the Sponsor provides a response to a discussion in the Winklevoss Order about certain commenters and the concerns they raised about specific instances of manipulation (see Bitwise Submission III, *supra* note 9, at 41, 45, 49), those comments are not part of the record of the current proposed rule change under consideration.

²⁷⁵ See Bitwise Submission II, *supra* note 9, at 2.

²⁵⁶ See *id.*

²⁵⁷ See Bitwise Submission II, *supra* note 9, at 2.

²⁵⁸ See *id.* at 69.

²⁵⁹ See *id.*

²⁶⁰ See *id.*

²⁶¹ See *id.* at 69, 71.

²⁶² *Id.* at 71.

²⁶³ See *id.* at 69.

²⁶⁴ See *id.*

relationship”). Without data to show the lead-lag relationship between prices on the two sets of platforms or any evidence about the directionality of the lead-lag relationship—which might indicate that changes in prices on platforms with fake volume are or are not leading to changes in prices on the “real” platforms—the Commission has no basis on which to conclude that prices on the “real” platforms are insulated from prices in the rest of the market. Thus the Commission cannot conclude that it would be appropriate to consider the nature of these platforms alone in an analysis of whether the bitcoin market is uniquely resistant to manipulation.

The Sponsor makes many unsupported, conclusory statements to support its contention that “everyone knows where the real market is.”²⁷⁶ The Sponsor argues that arbitrage “cannot exist” between platforms with real volume and platforms with a preponderance of fake volume,²⁷⁷ without presenting any data or real-world examples that might indicate the presence or absence of arbitrage between such platforms. Moreover, the Sponsor’s contention that such arbitrage cannot exist rests on an assumption that platforms with a “preponderance of fake volume” do not have any “real and meaningful liquidity” that could support arbitrage,²⁷⁸ without support for that assumption. As discussed further below, the Sponsor acknowledges that there is a gray area between platforms with entirely real volume and platforms with entirely fake volume.²⁷⁹ Yet the Sponsor does not address whether the presence of real volume on platforms with a significant amount of fake volume would significantly affect pricing.

In addition, the Sponsor concludes that the evidence that it cites “suggests” that investors do not look to platforms with fake volume for legitimate market signals, but does not persuasively address alternative explanations for the cited evidence that would lead to a different conclusion.²⁸⁰ The Sponsor looks at which platforms other

providers of financial products select for their pricing mechanisms,²⁸¹ but other providers’ reliance on certain bitcoin trading platforms does not demonstrate that prices on platforms with purportedly fake volume do not influence prices on the purportedly “real” platforms. The Sponsor also fails to address alternative reasons for these products’ reliance on certain platforms, including the presence of a degree of regulation on these platforms. Moreover, the platforms used for these pricing mechanisms do not line up exactly with the Sponsor’s ten identified “real” platforms,²⁸² indicating that at least some institutional market participants do not agree that all of the Sponsor’s identified “real” platforms provide the most reliable prices. Further, while the Sponsor points to the platforms tracked by digital asset dealer and trading platform SFOX, the overlap with the Sponsor’s “real” platforms is anecdotal evidence at best, and any incentives SFOX may have to identify arbitrage opportunities is not a substitute for an analysis of whether prices on certain platforms have an influence on general market pricing.²⁸³ And while the volatility of data aggregator league tables raises questions about reported trading volume that may be relevant to probe,²⁸⁴ mere belief that the reported trading volume is questionable is no substitute for data-driven analysis of how other market participants would adjust their pricing in response to prices on other platforms, even if they agree that those platforms have predominantly—but not entirely—fake volume. Further, the Sponsor’s arguments rely on a description of how institutional market participants behave, but the Sponsor does not provide information regarding what portion of the market is made up of institutional versus retail participants. The Commission also notes that while the Sponsor asserts that *coinmarketcap.com* is the most widely cited source for bitcoin volume,²⁸⁵ as of October 6, 2019, *coinmarketcap.com* does not separate “real” versus “fake” platforms and prices.²⁸⁶ This shows that

the focus on the Sponsor’s identified “real” platforms or a subset thereof, to the exclusion of the vast majority of platforms with reported volume on data aggregators such as *coinmarketcap.com*, is not necessarily shared by other participants in the bitcoin market.

For the reasons above, the Commission does not believe that NYSE Arca and the Sponsor have demonstrated that prices on platforms with fake or non-economic volume do not influence prices on platforms with real volume. Given the Sponsor’s claims about the prevalence of fake or non-economic trading activity within the overall bitcoin market, the Commission considers this lack of proof to fundamentally undercut the Sponsor’s contention that the “real” bitcoin market is uniquely resistant to fraudulent and manipulative activity.²⁸⁷

(B) The Sponsor’s Identification of Platforms With Predominantly “Real” Volume

NYSE Arca and the Sponsor have not provided sufficient data to substantiate the Sponsor’s claims that it has identified the ten platforms that have “real” volume, as distinguished from those platforms dominated by fake or non-economic trading.²⁸⁸ and the Sponsor’s data analysis is incomplete or inconsistent and limits the Commission’s ability to evaluate the Sponsor’s claims.²⁸⁹ For example, the Sponsor asserts that its data analysis of trade size distribution only includes trade sizes of 0 to 10 bitcoins because the vast majority of trade volume occurs in the lower range and because the Sponsor finds the histogram presentation of this range “visually helpful.”²⁹⁰ As two commenters recognize, however, this data presentation cuts off larger orders that occur in the bitcoin market, and the inclusion of larger orders could make

visited Oct. 6, 2019). Although the “adjusted volume list indicates some adjustment for certain types of trading activity, the identification of at least 100 platforms with “adjusted volume” differs considerably from the Sponsor’s identification of only ten “real” platforms.

²⁸⁷ If the platforms with fake or non-economic volume cannot be disambiguated from the platforms with “real” volume, this also undercuts the Sponsor’s assertions about whether NYSE Arca has a surveillance-sharing agreement with a significant, regulated market. For further discussion, see *infra* Section III.B.3.

²⁸⁸ See *supra* notes 172–176, 191–194, 199–203, 211–228, and accompanying text.

²⁸⁹ See *supra* notes 151–156 and accompanying text.

²⁹⁰ See *supra* note 214 and accompanying text.

²⁷⁶ See *id.* at 71. See also *supra* notes 257–270 and accompanying text.

²⁷⁷ See *supra* notes 259–260 and accompanying text.

²⁷⁸ See *supra* notes 259–260 and accompanying text.

²⁷⁹ See *supra* note 242 and accompanying text. See *infra* notes 305–314 and accompanying text for discussion of whether the Sponsor has identified all “real” volume on the bitcoin spot platforms included in its analysis and whether “real” volume on other portions of the bitcoin spot market might undercut its assertions.

²⁸⁰ See *supra* notes 261–270 and accompanying text.

²⁸¹ See *supra* notes 263–265 and accompanying text.

²⁸² See *supra* note 265.

²⁸³ See *supra* notes 266–268 and accompanying text.

²⁸⁴ See *supra* notes 269–270 and accompanying text.

²⁸⁵ See Bitwise Submission I, *supra* note 6, at 23.

²⁸⁶ As of October 6, 2019, *coinmarketcap.com* lists the top 100 digital asset platforms by reported volume and by “adjusted volume,” the latter of which it represents as “[v]olume from spot markets excluding markets with no fees and transaction mining.” See Top 100 Currency Exchanges by Trade Volume, CoinMarketCap, available at <https://coinmarketcap.com/rankings/exchanges> (last

the Sponsor's analysis look materially different.²⁹¹

Further, the Sponsor admits that the inability to gather comprehensive market data "has made proving the existence of fake volume on exchanges in a comprehensive manner difficult."²⁹² The Sponsor acknowledges that its data scraping methodology broke down frequently, resulting in gaps in the data that it accounted for in the analytical phase,²⁹³ but does not address what steps it took to ensure that these data gaps did not affect its analysis. The use here of a single one-week period of data may reflect selection bias and is insufficient to reveal the full picture regarding platforms over time or during different periods.²⁹⁴ While the Sponsor asserts that any single week sample would "exhibit the same characteristics and lead to a similar conclusion,"²⁹⁵ the Sponsor has not provided any support for this assertion or any explanation why the selected one-week period is or is not representative of the properties of the bitcoin spot market in other periods. Several commenters also raise questions and concerns about the Sponsor's methodology for selecting what data to collect and analyze, collecting the data, and analyzing the data.²⁹⁶ For many parts of the analysis, the Sponsor first looks to the trade sizes, volume spikes, and spread patterns for its reference set of platforms with BitLicenses, and then compares these to other platforms.²⁹⁷ The Sponsor makes observations about how trade sizes, volume spikes, or spread patterns differ for platforms outside of its reference set of platforms with BitLicenses, and assumes that these differences are indications of fake or non-economic volume. The Sponsor does not appear to acknowledge that there could be other reasons for observed differences in trading patterns among the platforms, such as artefacts of algorithmic trading. In addition, the Commission notes that anecdotal recitations of support for the Sponsor's initial analysis in the news or social media are no substitute for full,

independent analysis or replication of the results.²⁹⁸

The Commission notes that the Sponsor relies heavily on conclusory statements that are insufficient to support its findings. For example, the Sponsor's assertions that the findings in its initial analysis are consistent with the "common institutional understanding of the true nature of the actual market" are conclusory and unsupported.²⁹⁹ The Commission notes that several commenters raise questions about specific platforms that the Sponsor identifies as having "real" volume, casting doubt on the contention that there is common understanding of the "real" market.³⁰⁰ With respect to the Sponsor's initial selection of platforms to analyze, the Sponsor states that its list of platforms became stale quickly, but asserts that its "core analysis" remains relevant.³⁰¹ This representation simply assumes without any support that significant volume on new platforms would be fake or non-economic volume, and it provides the Commission with no basis to conclude that this would be the case. Similarly, the Sponsor's statement that any incremental volume in the OTC dark pool market is not a significant fraction of the spot market and would mostly lead to double-counting is conclusory, relies solely on anecdotal evidence,³⁰² and is inconsistent with a commenter's estimate of the size of the OTC bitcoin market.³⁰³ Moreover, with respect to the Sponsor's argument that the NYAG's inquiry concerning Bitfinex's operator does not alter the Sponsor's conclusion that Bitfinex has real volume, the Sponsor makes the conclusory and insufficient assertion that it found no evidence in legal documents contradicting this finding, without describing the types of evidence it found and why such evidence would not change the Sponsor's analysis.³⁰⁴

²⁹⁸ See *supra* notes 182–183 and accompanying text. *But see* *supra* notes 187–190 and accompanying text (questioning the Sponsor's findings in its initial analysis).

²⁹⁹ See *supra* note 186 and accompanying text.

³⁰⁰ See *supra* notes 237–240 and accompanying text.

³⁰¹ See *supra* note 201 and accompanying text.

³⁰² See *supra* notes 202–203 and accompanying text.

³⁰³ See *supra* note 208 and accompanying text (asserting that U.S.-based OTC volume in bitcoin may be as high as \$500 million a day; the Commission notes that this volume is comparable to the \$554 million in total daily volume for the same period across all ten of the "real" platforms). See also Registration Statement, *supra* note 31, at 20 ("OTC trading tends to be in large blocks of bitcoin.").

³⁰⁴ See *supra* note 230 and accompanying text; *infra* notes 331–338 and accompanying text (discussing, among other things, the NYAG

Further, the Sponsor has not shown that it has identified all "real" volume on the bitcoin spot platforms included in its analysis. In response to a commenter, the Sponsor acknowledges that there is a "gray area" between platforms with all real volume and all fake volume, and that some of the 73 platforms that failed one or more of its tests may include some amount of real volume.³⁰⁵ The Sponsor cites one example, the Gate.io platform, and asserts that Gate.io does not have enough volume to meaningfully alter the Sponsor's conclusion, even if it was made up of entirely real volume, because Gate.io's reported average daily volume in April 2019 of \$12 million is significantly lower than the \$554 million in total daily volume for the same period across all ten of the "real" platforms.³⁰⁶ However, the Sponsor does not acknowledge that the average daily volume *per platform* within its set of ten selected platforms was \$55.4 million in April 2019, or that \$12 million is higher than the average daily volume for two of the ten platforms and almost as much average daily volume as a third.³⁰⁷ This shows that the inclusion of an additional \$12 million in real volume is not immaterial to the Sponsor's claims. Further, the Sponsor does not consider the possibility that any other platform with volume comparable to that found on Gate.io would also have a material amount of "real" trading.

The Sponsor then discusses the HitBTC, Huobi, and OKEx platforms, because, according to the Sponsor, these were the only platforms that were cited by "the public" as having "real-world footprints" that have "meaningful" volume but that were excluded from the Sponsor's list of "real" platforms.³⁰⁸ Reliance on the set of platforms that "the public" raised to set the scope for further analysis presents an incomplete picture. The Sponsor does not describe any means by which it might know what motivations other individuals had to identify particular platforms as having a real-world footprint or how extensive those individuals' efforts were to identify other platforms for

allegations). See also *supra* note 238 and accompanying text (asserting that the recent actions regarding Bitfinex raises questions about why it was ever included in the Sponsor's list of "real" platforms).

³⁰⁵ See *supra* notes 241–243 and accompanying text.

³⁰⁶ See *supra* notes 244–245 and accompanying text.

³⁰⁷ See Bitwise Submission II, *supra* note 9, at 35 (providing a table with the average daily volume on each of the ten "real" platforms for April 2019).

³⁰⁸ See *supra* notes 246–247 and accompanying text.

²⁹¹ See *supra* notes 233, 235, and accompanying text.

²⁹² See *supra* note 191.

²⁹³ See *supra* note 193 and accompanying text.

²⁹⁴ See *supra* notes 211–212 and accompanying text. See also *supra* note 232 and accompanying text (asserting that the time period used is a "very short snapshot" and a longitudinal picture is lacking).

²⁹⁵ Bitwise Submission II, *supra* note 9, at 19.

²⁹⁶ See *supra* notes 195–198, 204–210, 231–236, and accompanying text.

²⁹⁷ See *supra* notes 215–217, 219–221, 223–227, and accompanying text.

consideration. Moreover, the Sponsor does not define what it considers to be “meaningful” volume. The Commission notes that the April 2019 average daily volume for each of HitBTC, Huobi, and OKEx is significantly higher than the April 2019 average daily volume for all but one of the identified “real” platforms.³⁰⁹

The Sponsor’s analysis of HitBTC and OKEx relies on circular reasoning and uses evidence that suggests the presence of fake or non-economic trading to conclude that the trading volume on these platforms is “almost entirely fake,” without discussing how the presence of some real volume affects the results.³¹⁰ The Sponsor further dismisses volume on Huobi as fake based on trade size histograms over time, suggesting that changes in the trade size histograms after the Sponsor’s initial analysis became public indicate that wash traders adjusted their trade size signatures to avoid the Sponsor’s detection methods.³¹¹ The Sponsor’s assertion is conclusory and does not address the possible presence of real volume on Huobi. Moreover, the Commission notes that, if market participants changed their trading behavior to avoid detection of fake or non-economic trading after the Sponsor’s first analysis became public, the Sponsor’s methodology may have been tainted when it conducted its later analysis, and these efforts to disguise fake or non-economic volume may prevent the Sponsor or market participants from distinguishing “real” volume from “fake” volume in the future.

The Sponsor then considers estimates from third-party researchers about the amount of real volume on these three platforms and acknowledges that the estimated amounts might increase the Sponsor’s calculated real volume in the spot market by a non-negligible amount, but asserts that this volume would not “materially” change the Sponsor’s conclusions.³¹² The Sponsor’s assertion is unsupported and does not address that the researchers’ estimated real volume, at between approximately \$16 million and \$25 million per platform, is similar to the average daily volume reported for the individual “real” platforms. The presence of this volume indicates that there may be more non-negligible real volume on other platforms, but the Sponsor does not

explain whether or how more real volume from other platforms would change its analysis.³¹³ Instead, the Sponsor merely asserts in conclusory fashion that the additional real volume, as estimated by the third-party researchers, would not “materially” impact its analysis and does not address how real volume on a platform dominated by fake or non-economic volume would interact with the market.

Finally, NYSE Arca and the Sponsor do not address the potential effect on the ten identified platforms of real volume on other portions of the bitcoin spot market not included in the set of 83 platforms that the Sponsor analyzed. For example, the Sponsor does not consider real volume on newer platforms or the OTC market and how such volume would affect its analysis. Moreover, while the Sponsor excludes South Korean platforms on the basis that trading volumes on those platforms are isolated from the globally connected market due to capital controls, this does not mean that the trading volume is not real.³¹⁴ The Sponsor also does not indicate whether trading on those portions of the market represents “real” trading or fake or non-economic trading, or address whether pricing on those segments of the market would affect prices on the “real” platforms.

For these reasons, the Commission determines that the record does not support a conclusion that the Sponsor has identified a segment of the bitcoin spot market, representing real volume and forming the basis of the Trust’s NAV and IIV pricing, that is uniquely resistant to manipulation.³¹⁵

(d) Features of the Bitwise Bitcoin ETF Trust

(i) Representations Made and Comments Received

NYSE Arca represents that the Sponsor believes that several additional

³¹³ The Commission notes that a commenter questions the Sponsor’s focus on three large platforms and argues that the Sponsor has ignored smaller platforms that might, in the aggregate, contain a notable amount of real volume. See *supra* notes 254–256 and accompanying text.

³¹⁴ See *supra* note 228 and accompanying text. The Commission notes that the Sponsor does not clearly explain how it handled the South Korean platforms in its analysis. While the Sponsor states that it has excluded these platforms, it still includes the trade size histograms, volume graphs, and spread graphs for the South Korean platforms, and its statement that 73 platforms have failed one or more of its tests includes the South Korean platforms among the 73. In contrast, when describing its first analysis, the Sponsor indicates that it has excluded the South Korean platforms at the outset. See *supra* note 181.

³¹⁵ For discussion about how the Sponsor’s analysis impacts arguments about whether the bitcoin futures market is a market of significant size, see *infra* Section III.B.3.

features of the structure of the Trust would provide unique resistance to fraudulent and manipulative practices.³¹⁶ The Sponsor asserts that, because the Trust’s NAV is based on substantially all “real” spot bitcoin trading volume and is volume-weighted, any attempt to manipulate the NAV must involve a majority of spot bitcoin trading volume over a significant period of time.³¹⁷ The Sponsor also asserts that the unique design of the Bitwise Daily Bitcoin Reference Price, and thus the Trust’s NAV, the exclusive use of in-kind creations and redemptions, and the decision to accrue fees in bitcoin, provide unique resistance to short term attempts at manipulation.³¹⁸

The Sponsor represents that the Trust will value its shares daily based on the Bitwise Daily Bitcoin Reference Price, which is based on prices drawn from selected platforms that represent substantially all of the economically significant spot trading volume on global bitcoin platforms, excluding those in countries that impose capital controls.³¹⁹ The Sponsor describes the calculation of the Bitwise Daily Bitcoin Reference Price separately from its description of how it has identified the “real” market for bitcoin, as discussed above.³²⁰ The Sponsor states that to calculate the Bitwise Daily Bitcoin Reference Price, it relies on a methodology that begins with the Sponsor’s tracking of over 200 on-line digital-asset trading platforms and eliminating a significant portion of those platforms, based on a number of factors.³²¹ According to the Sponsor, these factors serve to eliminate platforms that, for example, are domiciled in emerging market countries or countries that have capital controls; lack a functioning and stable Application Programming Interface³²²

³¹⁶ See Notice and OIP, *supra* note 7, 84 FR at 23133. See also Bitwise Submission III, *supra* note 9, at 13 (arguing that the Trust’s pricing methodology makes market manipulation of the NAV more difficult, because a bad actor must manipulate the majority of trading volume to impact the price, and easier to identify, because the manipulative activity must be repeated to have a significant effect). See *supra* Section III.B.1(b) for additional discussion about how the “exchange-tradability” of bitcoin and the nature of the bitcoin market impact the proposed ETP’s resistance to manipulation.

³¹⁷ See Notice and OIP, *supra* note 7, 84 FR at 23133.

³¹⁸ See *id.*

³¹⁹ See *id.* at 23126, 23128.

³²⁰ See *supra* notes 172–176 and accompanying text.

³²¹ See Notice and OIP, *supra* note 7, 84 FR at 23131.

³²² An “Application Programming Interface,” or “API,” is “a set of clearly defined methods of communication between various software

³⁰⁹ See *supra* notes 247, 307.

³¹⁰ See *supra* notes 248–249 and accompanying text.

³¹¹ See *supra* note 250 and accompanying text.

³¹² See *supra* notes 251–253 and accompanying text.

for the transmission of price and volume data; have issues with significant downtime, problems with customer withdrawals, or known security issues; are or may be subject to extraordinary legal or regulatory activity; or do not have at least \$1 million average daily volume for bitcoin-fiat or bitcoin-stablecoin trading pairs over the past calendar quarter.³²³ The Sponsor represents that, at least quarterly, the Bitwise Crypto Index Committee reviews published trading data from all platforms that pass this screening process and removes platforms that show persistent signs of artificial or inflated volume.³²⁴ The Sponsor further represents that, through this process, it has identified ten platforms to use for the Bitwise Daily Bitcoin Reference Price, and has more recently eliminated one platform, Bitfinex, due to the recent NYAG inquiry of its operator.³²⁵

As noted above, the Sponsor argues that the ten platforms it selected for the Bitwise Daily Bitcoin Reference Price's pricing mechanism currently account for substantially all of the "real" spot global volume of bitcoin, excluding capital-controlled countries, although the number of platforms and percentage of global volume represented is subject to change.³²⁶ The Sponsor asserts that this composition mitigates against idiosyncratic platform risk because the failure of any individual platform will not materially affect pricing for the Trust.³²⁷ Moreover, the Sponsor asserts that using a larger number of platforms to calculate the NAV supports liquidity of the Trust and mitigates idiosyncratic risks that can exist at an individual

components which can make it easier to develop a computer program by providing all the building blocks, which are then put together by programmers." Securities Exchange Act Release No. 82873 (Mar. 14, 2018), 83 FR 13008, 13028 n.158 (Mar. 26, 2018) (Transaction Fee Pilot for NMS Stocks Proposing Release) (File No. S7-05-18).

³²³ See Notice and OIP, *supra* note 7, 84 FR at 23131.

³²⁴ See *id.* The Sponsor states that this analysis includes a review of bid/ask spreads, actual claimed executed trades with price and volume, and any other factors that the Committee deems relevant. See *id.*

³²⁵ See *id.* at 23130 n.20, 23131.

³²⁶ See *id.* at 23131.

³²⁷ See *id.* at 23131-32; Bitwise Submission I, *supra* note 6, at 92. See also Bitwise Submission III, *supra* note 9, at 171 (asserting that the Trust's procedures to incorporate prices from a large number of spot bitcoin platforms, and allow the Bitwise Crypto Index Committee to remove a platform from contributing to prices when it faces a disruption, ensures that the Trust's NAV always draws prices from platforms trading at a globally integrated price). The Sponsor represents that, while in the past trading has been disrupted at individual bitcoin platforms, there is no history of systemic disruptions across all platforms in the "modern evolution" of the bitcoin market. See Bitwise Submission III, *supra* note 9, at 171.

platform over short periods of time.³²⁸ The Sponsor also asserts that the use of a large number of platforms contributing prices to the NAV, in a well-arbitrated and fractured market, makes market manipulation more difficult because the malicious actor would need to manipulate multiple platforms simultaneously or dramatically skew the historical distribution of volume to impact the NAV.³²⁹ The Sponsor further asserts that the reliance on substantially all of spot trading volume in bitcoin for pricing the Trust increases this difficulty, because significantly more capital would be required to attempt to influence NAV and it would be difficult to profit from that manipulation.³³⁰

The Sponsor states that on April 25, 2019, the Bitwise Crypto Index Committee voted to immediately remove Bitfinex from the list of platforms that contribute prices to the Bitwise Daily Bitcoin Reference Price, along with other Bitwise Crypto Indexes, because the NYAG had obtained a court order against iFinex Inc., operator of Bitfinex, based on allegations of fraudulent conduct.³³¹

³²⁸ See Bitwise Submission III, *supra* note 9, at 127. See also Bitwise Submission V, *supra* note 9, at 2-3 (representing that individual platforms may experience idiosyncratic issues, including hacking, withdrawal issues, regulatory actions, and legal actions, that cause their prices to temporarily detach from the globally integrated price when the idiosyncratic issues break or weaken the arbitrage mechanism). One commenter asserts that it agrees with the Sponsor that a benefit of a multi-platform approach is that it minimizes the potential adverse impact of any single platform going off-line due to technical problems or other concerns, and mutes the impact of potentially manipulated prices or volume stemming from a single platform. See Omnix Letter, *supra* note 9, at 3.

³²⁹ See Notice and OIP, *supra* note 7, 84 FR at 23132; Bitwise Submission I, *supra* note 6, at 96.

³³⁰ See Notice and OIP, *supra* note 7, 84 FR at 23132; Bitwise Submission I, *supra* note 6, at 93, 97.

³³¹ See Bitwise Submission III, *supra* note 9, at 47; Bitwise Submission V, *supra* note 9, at 1. See also Notice and OIP, *supra* note 7, 84 FR at 23130 n.20. The NYAG, which began its investigation in November 2018, alleges "that the operators of the 'Bitfinex' trading platform, who also control the 'tether' virtual currency, engaged in a cover-up to hide the apparent loss of \$850 million of co-mingled client and corporate funds." Press Release, New York State Office of the Attorney General, Attorney General James Announces Court Order Against "Crypto" Currency Company under Investigation for Fraud (Apr. 25, 2019), available at <https://ag.ny.gov/press-release/2019/attorney-general-james-announces-court-order-against-crypto-currency-company>. The NYAG further alleges, "The filings explain how Bitfinex no longer has access to over \$850 million dollars of co-mingled client and corporate funds that it handed over, without any written contract or assurance, to a Panamanian entity . . . a loss Bitfinex never disclosed to investors. In order to fill the gap, executives of Bitfinex and Tether engaged in a series of conflicted corporate transactions whereby Bitfinex gave itself access to up to \$900 million of Tether's cash reserves, which Tether for years repeatedly told investors fully backed the tether

The Sponsor asserts that the removal of Bitfinex was in keeping with the committee's rule to exclude platforms subject to extraordinary regulatory action, which requirement exists to limit platforms included in the pricing mechanism to those that are positive actors in the market and limit the potential for interruptions in service or unusual pricing due to government or regulatory enforcement actions.³³² According to the Sponsor, extraordinary legal or regulatory action increases the risk that a platform will exhibit idiosyncratic pricing issues or have to halt withdrawals, shut down, or face other challenges.³³³ The Sponsor asserts that the removal of Bitfinex from the pricing mechanism on the same day that the extraordinary legal threat emerged suggests that the screening rules and ongoing monitoring process are useful, proactive, and constructive, and protect the Bitwise Daily Bitcoin Reference Price from the "slightest possibility" of anomalous pricing arising from the developments.³³⁴ The Sponsor further asserts that heightened scrutiny of stablecoins after this incident makes it extremely unlikely that the fraudulent printing of a stablecoin asset could easily happen in the future.³³⁵

With respect to the removal of Bitfinex, which represented 14.1% of all "real" spot bitcoin volume in April 2019, the Sponsor argues that "the loss

virtual currency '1-to-1.'"). *Id.* The NYAG explained, however, that it "does not seek to enjoin or interfere with the orderly operations of Bitfinex or Tether's legitimate businesses, if any, including orders by legitimate traders on the Bitfinex platform, or legitimate tether holders, to redeem their tethers for dollars. Indeed, protecting legitimate traders using the Bitfinex platform, and legitimate holders of tether, primarily those residing in New York, is why a preliminary injunction is necessary now to preserve the status quo pending the completion of OAG's investigation." Affirmation of Brian M. Whitehurst in Support of OAG's Ex Parte Application for an Order Pursuant to General Business Law § 354, *James v. iFinex, Inc., et al.*, No. 450545/2019, 2019 WL 2176835 (N.Y. Sup. Ct. Apr. 25, 2019), Doc. No. 1, at para. 96. The court subsequently denied a motion to dismiss brought by iFinex Inc. and its related entities. *James v. iFinex Inc., et al.*, No. 450545/2019, 2019 WL 3891172 (N.Y. Sup. Ct. Aug. 19, 2019). iFinex Inc. and its related entities have appealed the court's denial of their motion to dismiss. Notice of Appeal, *James v. iFinex Inc., et al.*, No. 450545/2019 (N.Y. Sup. Ct. Aug. 19, 2019), Doc. No. 117.

³³² See Bitwise Submission V, *supra* note 9, at 1.

³³³ See *id.* at 3.

³³⁴ See *id.* at 5-6. See also *id.* at 3 (asserting that the benefit of proactively removing Bitfinex as a pricing source is that it protects against potential short-term downstream impacts if a negative idiosyncratic event occurs in the future). One commenter states that the Sponsor's reasons for removing Bitfinex are sound and follow the outlined index procedures, but raise a flag. See Blake Letter II, *supra* note 9.

³³⁵ See Bitwise Submission III, *supra* note 9, at 47.

of any single exchange does not impact the Bitwise Daily Bitcoin Reference Price in a meaningful way.”³³⁶ The Sponsor asserts that, with prices tightly aligned, removing one or two platforms would not meaningfully impact the calculated price.³³⁷ In addition, the Sponsor states that, while having more platforms to calculate the price is better, there are diminishing returns for each additional platform and at some point it is enough to calculate a good price and not be exposed to idiosyncratic risk, especially with a pricing methodology that mitigates against the impact of outlier prices.³³⁸

The Sponsor asserts that the procedures by which it relies on the prices and volumes from the selected platforms to calculate the Bitwise Daily Bitcoin Reference Price are designed to protect the price, and thereby the Trust’s NAV, from potential manipulation.³³⁹ The Sponsor argues that the use of six consecutive five-minute segments over a thirty-minute period means that malicious actors would need to sustain efforts to manipulate the market over an extended period of time or replicate efforts multiple times, which could trigger review by platforms, market participants, and regulators.³⁴⁰ The Sponsor asserts that the use of a median price eliminates the ability of outlier prices to impact the NAV, because the methodology systematically excludes outliers from the NAV calculation.³⁴¹ The Sponsor also asserts that the use of a volume-weighted median, instead of a traditional median, protects against attempts to manipulate the NAV by executing multiple low-dollar trades, because any manipulation attempt would have to involve a majority of

global spot bitcoin volume in a five-minute window to impact the pricing mechanism.³⁴² According to the Sponsor, the methodology it uses for the Bitwise Daily Bitcoin Reference Price is similar to the settlement pricing methodology for the CME CF Bitcoin Reference Rate used for CME futures, which the Sponsor represents has documented protection against the impact of pricing variance.³⁴³ Finally, the Sponsor asserts that the “carefully designed lag” between the strike time of the NAV at 4:00 p.m. E.T. and the time the NAV is distributed allows time for the Sponsor to algorithmically and manually review contributed prices for any anomalous behavior and correct unusual pricing if it occurs.³⁴⁴

The Sponsor asserts that the Trust’s method of calculating the NAV differs from that proposed for use by the Winklevoss Bitcoin Trust, and that these differences help make the NAV calculation and the Trust itself uniquely resistant to manipulation.³⁴⁵ One commenter asserts that the current proposal is better than that discussed in the Winklevoss Order because the Trust proposes to use many bitcoin platforms that account for a majority of total global volume of bitcoin, as compared to using a small related platform that represents perhaps 1% of global bitcoin trading.³⁴⁶

³⁴² See Notice and OIP, *supra* note 7, 84 FR at 23131; Bitwise Submission I, *supra* note 6, at 99.

³⁴³ See Notice and OIP, *supra* note 7, 84 FR at 23131; Bitwise Submission I, *supra* note 6, at 99; Bitwise Submission III, *supra* note 9, at 15. The Sponsor argues that a cited study shows the protective qualities of using volume-weighted median pricing, and that while the Sponsor’s approach differs in drawing from a larger number of platforms and using a shorter time window, the shorter time window maintains the protective qualities of the approach while improving the timeliness of the NAV price. See Bitwise Submission I, *supra* note 6, at 99 (citing Andrew Paine and William J. Knottenbelt, Imperial College Centre for Cryptocurrency Research and Engineering, “Analysis of the CME CF Bitcoin Reference Rate and CME CF Bitcoin Real Time Index” (Nov. 14, 2016)).

³⁴⁴ See Notice and OIP, *supra* note 7, 84 FR at 23133; Bitwise Submission I, *supra* note 6, at 100. The Sponsor notes that the NAV would generally be distributed by 5:30 p.m. E.T. See Notice and OIP, *supra* note 7, 84 FR at 23133; Bitwise Submission I, *supra* note 6, at 100.

³⁴⁵ See Bitwise Submission III, *supra* note 9, at 81. The Commission notes that the Sponsor discusses several points of comparison between the specifics of its proposal and the Winklevoss Trust, see *supra* note 9, at 75, 77, 79, and 81, but these particular comparisons are not relevant to the question of whether the proposal is consistent with the standards of the Exchange Act.

³⁴⁶ See Anonymous Letter I, *supra* note 6. This commenter favorably compares the proposal to United States bitcoin futures, which also use a “tiny” number of platforms for their pricing methodology, and the now-withdrawn proposal from Cboe BZX Exchange, Inc., for another bitcoin ETP (the VanEck SolidX Bitcoin Trust) that would have used prices from a few OTC desks, when there

Other commenters also support the Sponsor’s proposed method of calculating the Trust’s NAV.³⁴⁷ One commenter argues that to the extent that the NAV becomes aberrant, stale, or incorrect, the real price discovery would occur in the proposed ETP.³⁴⁸ This commenter cites as an example ETPs with foreign-listed equities that have NAVs that are out-of-sync with the trading day in the United States.³⁴⁹ However, another commenter points to risks disclosed in a prior version of the Trust’s registration statement that states that the NAV may not always correspond to market price and investors may be adversely affected.³⁵⁰

The Sponsor asserts that its methodology for calculating the Bitwise Real-Time Bitcoin Price, which will be the basis for the Trust’s IIV, is similar to the approach used for the NAV, but brought into real time.³⁵¹ The Sponsor argues that the use of ten platforms to calculate the Bitwise Real-Time Bitcoin Price mitigates against idiosyncratic platform risk and against pricing disruptions at an individual platform due to a halt, hacking, or data error.³⁵² The Sponsor also argues that the use of contributory weights based on the trailing thirty-minute volume, rather than the last trade size or volume over a short time period, protects against attempts to manipulate the IIV by capturing more volume, while using the price of the most recent trade on each platform ensures the timeliness of the IIV.³⁵³ The Sponsor asserts that the use of a median price eliminates the influence of outlier prices and the use of a volume-weighted median protects against attempts to manipulate the price by executing multiple low-dollar trades.³⁵⁴ According to the Sponsor, it expects the IIV will closely track the globally integrated bitcoin price on the

is no reason to use OTC pricing due to lack of an alternative. See *id.* See also Securities Exchange Act Release No. 85119 (Feb. 13, 2019), 84 FR 5140 (Feb. 20, 2019) (Notice of Filing of Proposed Rule Change to List and Trade Shares of SolidX Bitcoin Shares Issued by the VanEck SolidX Bitcoin Trust, Under BZX Rule 14.11(e)(4), Commodity-Based Trust Shares) (SR-CboeBZX-2019-004).

³⁴⁷ See Omnix Letter, *supra* note 9, at 3–4; Donostia Ventures Letter, *supra* note 9, at 3–4.

³⁴⁸ See Donostia Ventures Letter, *supra* note 9, at 3–4.

³⁴⁹ See *id.*

³⁵⁰ See C. Ross Letter, *supra* note 6.

³⁵¹ See Bitwise Submission I, *supra* note 6, at 174–181. The Commission notes that the Sponsor uses the terminology “Indicative Index Value” in Bitwise Submission I, but the terminology “Bitwise Real-Time Bitcoin Price” in other places. For consistency, in this Order the Commission will refer to this price as the “Bitwise Real-Time Bitcoin Price.”

³⁵² See *id.* at 176.

³⁵³ See *id.* at 177–178.

³⁵⁴ See *id.* at 179.

³³⁶ See Bitwise Submission V, *supra* note 9, at 4.

³³⁷ See *id.* (representing that the average deviation in price as compared to the consolidated price in 2019 was 0.11% for Bitfinex, which falls in the middle of the 0.05% to 0.20% range seen across the ten “real” platforms).

³³⁸ See *id.* at 4–5.

³³⁹ See Notice and OIP, *supra* note 7, 84 FR at 23131.

³⁴⁰ See *id.*; Bitwise Submission I, *supra* note 6, at 98 (asserting that the extended thirty-minute period supports Authorized Participant activity by capturing volume over a longer time period, rather than forcing Authorized Participants to mark an individual close or auction). See also Omnix Letter, *supra* note 9, at 4 (asserting that the Trust’s NAV process is uniquely resistant to manipulation because a bad actor would need to manipulate multiple platforms over an extended period of time to impact the NAV).

³⁴¹ See Notice and OIP, *supra* note 7, 84 FR at 23131; Bitwise Submission I, *supra* note 6, at 99. See also Bitwise Submission III, *supra* note 9, at 127 (asserting that the Sponsor’s pricing methodology is designed to systematically exclude aberrant prices as an extra protection against idiosyncratic platform risks at individual platforms).

selected platforms, but that the IIV may differ from the NAV due to the IIV's use of real-time prices.³⁵⁵ The Sponsor asserts that this will not create confusion in the marketplace, because Authorized Participants are the only investors that interact with the NAV and the Sponsor will communicate clearly its NAV calculation method.³⁵⁶

One commenter states that an inaccurate NAV will break the arbitrage mechanism because redemptions are made based on NAV.³⁵⁷ According to this commenter, while most ETPs have NAVs that are calculated once per day, the bitcoin market is so volatile that intra-day NAV measures are required for an ETP with bitcoin as the underlying asset.³⁵⁸ This commenter also represents that non-concurrent trading hours between digital asset platforms and the ETP market may increase the gap between the ETP price and the NAV.³⁵⁹

The Sponsor argues that the exclusive use of in-kind creations, redemptions, and fee accruals (except in the case of liquidation) provides long-term investors in the Trust with significant, redundant, and strong protection against attempts to manipulate the Bitwise Daily Bitcoin Reference Price and thus the NAV.³⁶⁰ According to the Sponsor, denominating those transactions exclusively in bitcoin ensures that the Trust would maintain the appropriate amount of bitcoin-per-Share, even if the NAV or the Bitwise Daily Bitcoin Reference Price were manipulated.³⁶¹

³⁵⁵ See *id.* at 180–181.

³⁵⁶ See *id.* at 181. The Sponsor represents that there are many instances in the ETP market where the IIV and NAV differ due to the calculation methodology, market hours overlap, or other factors, and the Sponsor does not observe negative impacts on trading, liquidity, or otherwise for these ETFs. See *id.* The Sponsor further represents that the CME bitcoin futures market similarly relies on and distributes a Reference Rate (comparable to the NAV) and a Real-Time Rate (similar to the IIV), and the market is able to understand and evaluate the differences between these two rates. See *id.*

³⁵⁷ See Shenoy Letter III, *supra* note 69, at 6.

³⁵⁸ See *id.*

³⁵⁹ See *id.* at 6–7.

³⁶⁰ See Notice and OIP, *supra* note 7, 84 FR at 23132–33; Bitwise Submission I, *supra* note 6, at 103–104 (citing letter from Jeffrey Yass, Managing Director, Susquehanna International Group, LLP (May 15, 2017), regarding SR–BatsBZX–2016–30 (“Susquehanna Letter”), available at <https://www.sec.gov/comments/sr-batsbzx-2016-30/batsbzx201630-1761310-152159.pdf>, for additional explanation of the protective benefits of in-kind creations and redemptions). A commenter on a previous bitcoin ETP proposal asserts that in-kind creation and redemption allows market participants to source primary market liquidity freely and at the most efficiently priced levels across multiple platforms and OTC counterparties, thus largely insulating investors from manipulative activity on any single platform. See Susquehanna Letter, *id.* at 6.

³⁶¹ See Notice and OIP, *supra* note 7, 84 FR at 23133; Bitwise Submission III, *supra* note 9, at 13.

The Sponsor also asserts that exclusive use of in-kind creations and redemptions externalizes the cost and risk of transacting in the underlying spot market for bitcoin.³⁶²

One commenter supports the Sponsor's assertions and argues that processing all creations and redemptions in-kind and requiring payment of the Trust's expenses exclusively in bitcoin would “cause[] the fund to exist in a ‘bitcoin-denominated world,’ where even grotesque manipulation of the Trust's NAV would not harm holders of the fund.”³⁶³ This commenter represents that the current proposal is unique in promising to accrue all fees in bitcoin, in addition to exclusively using in-kind creations and redemptions, meaning that the Trust's entire economic life would be denominated in bitcoin and the Trust would insulate investors from the potential negative long-term impact of NAV manipulation.³⁶⁴ In addition, this commenter asserts that investors on the secondary market would ignore an incorrect NAV and instead focus price discovery efforts on the proposed ETP itself.³⁶⁵

The Sponsor asserts that it does not anticipate a situation in which it would need to fair-value bitcoin, because the loss of one, two, or even many platforms would still leave the Sponsor with sufficient pricing feeds to adequately price bitcoin according to its rules.³⁶⁶ According to the Sponsor, in the extraordinarily unlikely event that all, or all but one, of the platforms stopped providing prices, the Sponsor's pricing procedures allow for fair valuing the asset based on all available pricing inputs, which would likely include prices on the remaining platform (if one exists), futures prices, exchange-traded swap prices, or other sources.³⁶⁷ The

³⁶² See Bitwise Submission III, *supra* note 9, at 13.

³⁶³ Donostia Ventures Letter, *supra* note 9, at 2. See also Castle Island Ventures Letter, *supra* note 9, at 3 (asserting that the exclusive use of in-kind creations and redemptions, and accrual of all fees in-kind, provides significant protections to investors against an attempt to manipulate the NAV, and citing the Donostia Ventures Letter for further articulation of the reasons).

³⁶⁴ See Donostia Ventures Letter, *supra* note 9, at 3.

³⁶⁵ See *id.* at 3–4. Another commenter questions this assertion, asks how an investor would know the actual price of bitcoin, and disputes that market participants are always rational. See Robert Letter, *supra* note 9. This commenter also questions whether traders on the CME bitcoin futures market who own bitcoin on the spot market could be actively involved in price manipulation through mechanisms available on CME and simultaneous trading across global platforms. See Robert Letter, *supra* note 9.

³⁶⁶ See Bitwise Submission I, *supra* note 6, at 212.

³⁶⁷ See *id.*

Sponsor asserts that it could also temporarily halt creations and redemptions in such circumstances.³⁶⁸

(ii) Analysis

The Commission concludes that NYSE Arca has not demonstrated that additional features of the Trust, including its NAV and IIV pricing and its use of in-kind creations, redemptions, and accrual of fees, would make the proposed ETP uniquely resistant to manipulation. Specifically, NYSE Arca has not demonstrated that the design of the Bitwise Daily Bitcoin Reference Price, and the Trust's NAV, would make the proposed ETP uniquely resistant to manipulation. The Trust's Registration Statement acknowledges risks associated with the Bitwise Daily Bitcoin Reference Price—specifically, that the Bitwise Daily Bitcoin Reference Price “was recently developed,” “has a limited history,” and “is based on a new and untested calculation methodology.”³⁶⁹ NYSE Arca and the Sponsor do not address these representations in the Registration Statement or why a new and untested pricing methodology could be counted upon to provide unique resistance to manipulation. As discussed elsewhere, the Trust's Registration Statement also acknowledges that bitcoin spot platforms are “relatively new, and in some cases, largely unregulated,” and that the bitcoin futures market has “limited trading history and operational experience.”³⁷⁰ The Sponsor has made sweeping claims that up to 95% of the volume reported by bitcoin platforms is wash trading or simply fabricated, while asking the Commission to approve a bitcoin ETP based upon a small segment of the market that it asserts is uniquely resistant to the influence of this activity.³⁷¹ These untested claims, when combined with statements regarding the relatively new state of the bitcoin market and the proposed ETP's pricing mechanism, show that further

³⁶⁸ See *id.* The Sponsor represents that, in the past, other ETPs have halted creation and redemption activity due to fundamental disruptions of their underlying markets, such as was the case for the Van Eck Vectors Egypt Index ETF during the spring of 2014, when the Egyptian stock market closed for multiple days. See *id.*

³⁶⁹ See Registration Statement, *supra* note 31, at 6, 9–10 (stating that the Sponsor “does not guarantee the validity of any of these [pricing] inputs, which may be subject to technological error, manipulative activity, or fraudulent reporting from their initial source”). The Trust's Registration Statement contains similar stated risks for the Bitwise Real-Time Bitcoin Price, which the Trust would use to calculate the IIV. See *id.* at 10.

³⁷⁰ See *supra* note 123 and accompanying text; *infra* note 465 and accompanying text.

³⁷¹ See *supra* Section III.B.1(c).

development of the market is needed to establish the Sponsor's representations.

In addition, the Sponsor's use of the Bitwise Crypto Index Committee to remove platforms facing a disruption from the Trust's pricing mechanism, such as what occurred with the removal of Bitfinex,³⁷² is an ad hoc, ex post adjustment and cannot be counted upon to provide unique resistance to manipulation. Moreover, the Sponsor's assertion that—after the court order against Bitfinex's operator—fraudulent printing of a stablecoin asset in the future is extremely unlikely, is unpersuasive.³⁷³ The Commission does not believe that the deterrent value, if any, of past accusations of fraud involving stablecoins on future stablecoin schemes is sufficient to show resistance, let alone unique resistance, to manipulation. Additionally, even assuming that the designed lag time between the strike time of the NAV and the time of NAV distribution may allow a limited period of time for the Sponsor to review for and correct some anomalous behavior before the NAV is distributed, this ad hoc process cannot be relied upon as a sufficient antidote to fraud and manipulation on the underlying platforms, especially sustained manipulation, and is no substitute for a comprehensive surveillance-sharing agreement.³⁷⁴

Further, the record does not demonstrate that the Sponsor's proposed methodology for calculating the Bitwise Daily Bitcoin Reference Price, and thus the Trust's NAV, using prices and volumes from the selected platforms would make the proposed ETP uniquely resistant to manipulation. As discussed above, NYSE Arca and the Sponsor have not shown that fake or non-economic volume in the spot market would not affect prices on the selected platforms used to calculate the Bitwise Daily Bitcoin Reference Price, including prolonged effects.³⁷⁵ Moreover, NYSE Arca and the Sponsor have not shown that other parts of the spot market, including OTC trading, and trading in capital-controlled countries, would not affect the prices on the selected platforms.³⁷⁶ To the extent that trading on platforms not used to

calculate the Bitwise Daily Bitcoin Reference Price affects prices on the selected platforms, the characteristics of those other platforms affect whether the Trust is uniquely resistant to manipulation. While the proposed procedures for calculating the Trust's NAV using prices from the selected platforms might provide some protections against attempts at manipulation,³⁷⁷ these procedures would not sufficiently reduce the risk of fraudulent or manipulative trading activity or the need to monitor this risk through a surveillance-sharing agreement with a regulated market of significant size. In particular, the Sponsor has not shown that its proposed use of six consecutive five-minute segments over a thirty-minute period to calculate the Trust's NAV would effectively be able to eliminate fraudulent or manipulative activity that is not transient.³⁷⁸ The Sponsor does not connect the five or thirty minute windows to the duration of the effects of the wash and fictitious trading that the Sponsor concedes exists in the bitcoin spot market. Indeed, the Sponsor recognizes that many bitcoin trading platforms in what it calls the "fake and non-economic" bitcoin market engage in sustained manipulation every hour of every day, and often for the entire week the Sponsor examined.³⁷⁹ Because the

³⁷⁷ See *supra* notes 339–343 and accompanying text.

³⁷⁸ See *supra* note 340 and accompanying text.

³⁷⁹ See Bitwise Submission I, *supra* note 6, at 43–50, 52, 54–57; Bitwise Submission II, *supra* note 9, at 28–29, 33–34. While the Sponsor's own analysis of wash trading sufficiently demonstrates that fraud or manipulation of bitcoin spot pricing could exceed thirty minutes, evidence of other types of fraud and manipulation provide additional support. See *supra* notes 69–73, 138, 140–145, 331. See also Winklevoss Order, *supra* note 12, 83 FR at 37585 (discussing an academic paper concluding that hacking and manipulation of the Mt. Gox bitcoin trading platform affected the global price of bitcoin between April 2011 and November 2013), 37586–87 (stating that a person or persons with a dominant position in bitcoin would be able to hold that position for longer than thirty minutes and that "early bitcoin adopters" have held such a position for a much longer period), 37585–86 (noting an academic paper, the "Griffin-Shams Paper," suggesting that the price of bitcoin was manipulated with Tether from March 1, 2017, to March 31, 2018); Affirmation of Brian M. Whitehurst in Support of OAG's Ex Parte Application for an Order Pursuant to General Business Law § 354, *James v. iFinex, Inc., et al.*, No. 450545/2019, 2019 WL 2176835 (N.Y. Sup. Ct. Apr. 25, 2019), Doc. No. 1, at paras. 48–93 (describing allegedly improper conduct over the course of many months involving Bitfinex). Regarding the academic findings that the price of bitcoin was manipulated with Tether, the Sponsor contends that these "findings unwind if you assume that all (or even most) of the growth in issuance of Tether . . . reflects organic demand," but the Sponsor does not offer any support for such an assumption. Bitwise Submission III, *supra* note 9, at 47. Instead, the Sponsor claims that allegations in the NYAG investigation, see *supra* note 331, do

Sponsor concedes that bitcoin trading platforms with "fake and non-economic" trading manipulate their prices every hour of every day, and the Commission has concluded that the Sponsor has failed to isolate the pricing on these "fake" platforms that the Sponsor eschews and the "real" platforms that the Sponsor employs, the Commission concludes that the Sponsor has not demonstrated that its NAV pricing—including its use of five and thirty minute windows—make the proposed ETP uniquely resistant to manipulation.

Moreover, the Sponsor's identification of differences between the NAV process for another proposed bitcoin ETP and the NAV process for the current proposal does not establish that the Sponsor's proposed NAV process would make the Trust uniquely resistant to manipulation.³⁸⁰ In addition, these concerns about the Sponsor's process for calculating the NAV would apply to the IIV, which would be calculated using a similar process, and the Commission notes that publishing the IIV every fifteen seconds would not ameliorate the risk of manipulation if the underlying pricing mechanism is not demonstrably resistant to manipulation.³⁸¹

Because, as discussed above, the Sponsor has not established that its research identified those platforms in the spot market with "real" trading volume,³⁸² NYSE Arca and the Sponsor have also failed to demonstrate that the Bitwise Daily Bitcoin Reference Price would draw prices from selected platforms that represent "substantially all" of the economically significant spot trading volume, outside of capital-

not in and of themselves "suggest that the Tether issuance was fraudulent or reflected anything other than organic investor demand," and therefore, "while worrisome, do not support the accusations in the Griffin-Shams paper at this time," but nothing in the NYAG action casts any doubt on the conclusion that the price of bitcoin is susceptible to manipulation through activity on bitcoin trading venues. See Winklevoss Order, *supra* note 12, 83 FR at 37585–86.

³⁸⁰ See *supra* note 345 and accompanying text. The Commission notes that, in the Winklevoss Order, the Commission raised concerns based on the relative size of the volume of the auction that would serve as the basis for the pricing mechanism as compared to the size of the creation or redemption basket. See Winklevoss Order, *supra* note 12, 83 FR at 37589–90. While the Sponsor and a commenter provide comparative information about the liquidity of the Trust's proposed pricing mechanism (see *supra* notes 345–346 and accompanying text), the Commission concludes that this is not a relevant comparison because the Commission does not use the liquidity of the platforms selected for the Trust's pricing mechanism as a basis for its current decision.

³⁸¹ See *supra* notes 351–356 and accompanying text.

³⁸² See *supra* Section III.B.1(c).

³⁷² See *supra* notes 331–334 and accompanying text.

³⁷³ See *supra* note 335 and accompanying text.

³⁷⁴ See *supra* note 344 and accompanying text. The Sponsor also describes that in certain circumstances it could fair-value bitcoin or temporarily halt creations and redemptions, see *supra* notes 366–368 and accompanying text, but does not assert that these characteristics would make the Trust uniquely resistant to manipulation.

³⁷⁵ See *supra* notes 276–287 and accompanying text.

³⁷⁶ See *supra* Section III.B.1(c).

controlled countries.³⁸³ The Sponsor acknowledges that there is some additional real volume to be found on other platforms, but simply asserts that any adjustments to account for such additional real volume would not materially change the Sponsor's conclusions.³⁸⁴ In addition, in response to a law enforcement action by the NYAG, the Sponsor removed the second largest "real" bitcoin platform from the calculation of the Bitwise Daily Bitcoin Reference Price—Bitfinex, at purportedly 14.1% of the "real" market in April 2019—but provides only a cursory and insufficient analysis to support its assertion that this removal does not meaningfully impact the Bitwise Daily Bitcoin Reference Price.³⁸⁵ The Sponsor asserts that Bitfinex's average deviation from the consolidated price falls "comfortably in the middle" of the average deviation from the consolidated price for each of the ten identified "real" platforms,³⁸⁶ but does not, for example, provide any data about how this might translate to any price difference in the Bitwise Daily Bitcoin Reference Price if calculated with and without Bitfinex. The Sponsor asserts that there are diminishing returns to the value of each additional platform in protecting against idiosyncratic platform risk.³⁸⁷ But the Sponsor does not adequately address the effect of the reliance on less of the "real" volume in the spot market to support the Trust's pricing mechanism, including the impact of removal of this segment of "real" volume from the Trust's pricing mechanism on the Sponsor's assertion that any attempt to manipulate the NAV must involve a majority of spot bitcoin trading volume.³⁸⁸

In addition, while the Sponsor describes at length the analysis that it

³⁸³ See *supra* notes 319–338 and accompanying text.

³⁸⁴ See *supra* notes 242–253 and accompanying text.

³⁸⁵ See *supra* notes 331–338 and accompanying text. The Commission notes that Amendment No. 1 states throughout that the Trust's pricing mechanism will be based on ten platforms and that these ten platforms represent substantially all of the "real" spot market for bitcoin, and contains only one reference in a footnote to the removal of Bitfinex and reduction in the number of platforms contributing to the Bitwise Daily Bitcoin Reference Price from ten to nine. See Notice and OIP, *supra* note 7, 84 FR at 23130 n.20. In addition, the Sponsor's submission detailing its analysis of the bitcoin spot market does not mention the removal of Bitfinex from the Trust's pricing mechanism. See Bitwise Submission II, *supra* note 9. The Commission does not believe that the Sponsor has fully explained the impact of removing Bitfinex on many of its representations and assertions.

³⁸⁶ See *supra* note 337 and accompanying text.

³⁸⁷ See *supra* note 338 and accompanying text.

³⁸⁸ See *supra* note 317 and accompanying text.

conducted to identify spot platforms with real volume, NYSE Arca and the Sponsor have not established that the Bitwise Daily Bitcoin Reference Price would continue to rely on those platforms that the Sponsor identifies (or might in the future identify) as representing substantially all of the "real" spot trading volume. The Sponsor acknowledges that the number of platforms used to construct the Bitwise Daily Bitcoin Reference Price and the percentage of global volume that they represent is subject to change.³⁸⁹

Moreover, the methodology the Sponsor uses to select the platforms from which it draws the Bitwise Daily Bitcoin Reference Price differs from the methodology it uses for the analysis that purports to identify those spot platforms with real volume.³⁹⁰ For example, one factor for eliminating platforms from the Trust's pricing mechanism is whether the platform is domiciled in an emerging market country,³⁹¹ but the Sponsor does not articulate this factor as a basis for considering a platform's volume not to be "real." While the Sponsor has currently identified the same ten platforms for inclusion in the Bitwise Daily Bitcoin Reference Price as it designated as "real" during the course of its described analysis—before removing one platform due to a state law enforcement action—the current overlap does not demonstrate that the methodologies would generate the same results. And the Sponsor has not explained how—if the differing methodologies identify different sets of bitcoin platforms in the future—such divergences would affect its representations that the Bitwise Daily Bitcoin Reference Price is based on platforms that represent substantially all of the "real" spot trading volume.

Finally, the record does not demonstrate that in-kind creations and redemptions, or the decision to accrue the Trust's fees exclusively in bitcoin, would provide unique resistance to manipulation.³⁹² In-kind creations and redemptions are a common feature of ETPs, and the Commission has not excused exchanges that list ETPs that rely on this mechanism from the need to enter into surveillance-sharing agreements with regulated markets related to the portfolios assets.³⁹³

³⁸⁹ See *supra* note 326 and accompanying text.

³⁹⁰ Compare *supra* notes 321–325 and accompanying text with *supra* notes 199–200, 211–228 and accompanying text.

³⁹¹ See *supra* note 323 and accompanying text.

³⁹² See *supra* notes 360–362 and accompanying text. See also *supra* notes 363–365 and accompanying text.

³⁹³ See, e.g., iShares COMEX Gold Trust, Securities Exchange Act Release No. 51058 (Jan. 19,

Further, the accrual of the Trust's fees in bitcoin does not protect buyers and sellers of the Shares in the secondary market, because these secondary market participants will not trade at NAV but at market-based prices.³⁹⁴ Moreover, the Trust's Registration Statement recognizes the risk that disruptions at bitcoin trading platforms "could adversely affect the availability of bitcoin and the ability of Authorized Participants to purchase or sell bitcoin and therefore their ability to create and redeem shares of the Trust."³⁹⁵

Therefore the Commission concludes that the record does not establish that features of the Trust would make the Trust's NAV or the proposed ETP uniquely resistant to manipulation.

2. Assertions That Other Means Are Available To Detect and Deter Fraud and Manipulation

(a) Comment Received

One commenter asserts that NYSE Arca's rules are designed to prevent fraudulent and manipulative acts and practices, because trading in the Shares would be subject to rules governing equity securities that are aimed at preventing fraud and manipulation.³⁹⁶ This commenter represents that such rules include regulations addressing initial and continued listing standards, restrictions on market maker accounts, trading halt procedures, and trading surveillance.³⁹⁷ With respect to surveillance, the commenter states that trading in the Shares will be subject to trading surveillances by NYSE Arca, and the Financial Industry Regulatory Authority ("FINRA") on NYSE Arca's behalf, and that NYSE Arca and FINRA can communicate with Intermarket Surveillance Group members and obtain information regarding trading in the Shares and underlying bitcoin from NYSE Arca members registered as market makers.³⁹⁸ This commenter further asserts that NYSE Arca can obtain trading surveillance from a

2005), 70 FR 3749, 3751–55 (Jan. 26, 2005) (SR-Amex–2004–38); iShares Silver Trust, Securities Exchange Act Release No. 53521 (Mar. 20, 2006), 71 FR 14969, 14974 (Mar. 24, 2006) (SR-Amex–2005–072).

³⁹⁴ The Sponsor emphasizes that, at most, only "shareholders [of the Trust] would be protected" by in-kind creations and redemptions. Bitwise Submission III, *supra* note 9, at 13. See also Registration Statement, *supra* note 31, at 28 (in-kind creation and redemptions protect "shareholders of the Trust").

³⁹⁵ Registration Statement, *supra* note 31, at 6.

³⁹⁶ See *Omniex* Letter, *supra* note 9, at 3.

³⁹⁷ See *id.*

³⁹⁸ See *id.* See also Notice and OIP, *supra* note 7, 84 FR at 23135.

regulated bitcoin futures market of significant size.³⁹⁹

(b) Analysis

The Commission finds that, although one commenter raises aspects of NYSE Arca's existing rules that it asserts might provide other means to prevent fraud and manipulation,⁴⁰⁰ these alternative procedures would not, without a surveillance-sharing agreement with a regulated market of significant size, be sufficient to satisfy the requirement of Exchange Act Section 6(b)(5) that an exchange's rules be designed to prevent fraudulent and manipulative acts and practices.⁴⁰¹ In the Winklevoss Order, the Commission considered an assertion by the listing exchange that its surveillance procedures, which included pre-existing procedures, information available from the Bitcoin blockchain, and a surveillance-sharing agreement with a spot bitcoin platform, would provide "traditional means" of preventing fraud and manipulation, sufficient to prevent fraudulent and manipulative acts and practices.⁴⁰² The Commission found that the listing exchange had not demonstrated that the alternative surveillance procedures would be, by themselves, sufficient to satisfy Exchange Act Section 6(b)(5).⁴⁰³

Here, as in the Winklevoss Order, while NYSE Arca would, pursuant to its listing rules, be able to obtain certain information regarding trading in the Shares and in the underlying bitcoin or any bitcoin derivative through registered market makers,⁴⁰⁴ this trade information would be limited to the activities of members who were registered with NYSE Arca as market makers in the Shares and would not encompass all NYSE Arca market participants.⁴⁰⁵ Furthermore, as in the Winklevoss Order, neither NYSE Arca's ability to surveil trading in the Shares nor its ability to share information with other securities exchanges trading the Shares would give NYSE Arca insight into the activity and identity of market participants trading in the underlying bitcoin in the OTC market or on other

bitcoin trading platforms.⁴⁰⁶ Additionally, while the commenter asserts that NYSE Arca rules addressing initial and continued listing standards and trading halt procedures also are aimed at preventing fraud and manipulation,⁴⁰⁷ these aspects of NYSE Arca's rules, on their own, would not be sufficient to detect, investigate, or prevent fraudulent and manipulative acts and practices. The Commission finds that the argument raised by the commenter that NYSE Arca's rules would prevent fraud and manipulation are essentially the same as those arguments made by the listing exchange in the Winklevoss Order, and therefore the Commission must reach the same conclusion that the alternative surveillance procedures raised by the commenter are not sufficient, by themselves, to satisfy Exchange Act Section 6(b)(5).⁴⁰⁸

3. Assertions That NYSE Arca Has Entered Into a Surveillance-Sharing Agreement With a Regulated Market of Significant Size Related to Bitcoin

(a) Representations Made and Comments Received

The Sponsor asserts that, in light of its understanding of the small size of the "real" bitcoin spot market, the bitcoin futures market represents a large, surveilled, and regulated market, as the Commission has defined that requirement.⁴⁰⁹ The Sponsor further asserts that, given the significant size of the bitcoin futures market, and the close relationship in prices between the derivatives market and the spot market, there is a reasonable likelihood that a person attempting to manipulate the proposed ETP would have to trade on that market to successfully manipulate the proposed ETP, because arbitrage between the derivative and spot markets would tend to counter an attempt to manipulate the spot market alone.⁴¹⁰ According to the Sponsor, NYSE Arca's ability to obtain information regarding

trading in the Shares and futures from markets and other entities that are members of the Intermarket Surveillance Group, which includes CME (and CFE), would assist NYSE Arca in detecting and deterring misconduct.⁴¹¹

The Sponsor asserts that its assessment that the CME bitcoin futures market is significant is based on its understanding of the true size of the bitcoin spot market, which, according to the Sponsor, is significantly smaller than commonly understood, as well as on the recent and significant growth in trading volume on the CME bitcoin futures exchange.⁴¹² The Sponsor argues that, while the bitcoin futures market volume appears to be small in comparison to the reported spot bitcoin volume, it looks "much more important" in comparison to the "real" bitcoin spot market.⁴¹³ In particular, the Sponsor represents that the combined average daily volume for the CME and CFE futures markets in April 2019 was \$268 million, which is 2.4% of April's reported spot market volume (approximately \$11 billion), but 48.4% of the Sponsor's calculated "real" spot market volume (approximately \$554 million).⁴¹⁴ The Sponsor asserts that in April 2019, the average daily volume on the CME of \$258 million was larger than that of any of the ten identified "real" spot bitcoin platforms, ahead of Binance and more than twice as large as Bitfinex.⁴¹⁵ The Sponsor also asserts that the bitcoin futures market compares similarly to the "real" bitcoin spot

⁴¹¹ See *id.* See also Omniex Letter, *supra* note 9, at 5 (asserting that NYSE Arca would have the ability itself to obtain information regarding trading in the Shares and could obtain information regarding futures trading from CME as a member of Intermarket Surveillance Group); Collaborative Funds Letter, *supra* note 9, at 2 (asserting that NYSE Arca's surveillance agreement with CME and CFE satisfies the concerns in the Winklevoss Order regarding mitigation of market manipulation). But see Ahn Letter II, *supra* note 9 (questioning the presumption that the bitcoin futures market is regulated because, according to the commenter, the bitcoin futures market does not contain all the regulatory features that the Commission requires in the context of a surveillance-sharing agreement).

⁴¹² See Bitwise Submission III, *supra* note 9, at 97.

⁴¹³ See Bitwise Submission II, *supra* note 9, at 57; Bitwise Submission III, *supra* note 9, at 11.

⁴¹⁴ See Bitwise Submission II, *supra* note 9, at 57; Bitwise Submission III, *supra* note 9, at 11. The Sponsor also asserts that in April 2019, the CME futures contract traded an average daily volume of over 67,000 bitcoin (on a notional basis), while coinmarketcap.com reported an average daily volume of over 2.2 million bitcoin, but the "real" average daily spot volume was roughly 108,000 bitcoin. See Bitwise Submission III, *supra* note 9, at 155.

⁴¹⁵ See Bitwise Submission II, *supra* note 9, at 58; Bitwise Submission III, *supra* note 9, at 11.

⁴⁰⁶ See *supra* note 398 and accompanying text. See also Winklevoss Order, *supra* note 12, 83 FR at 37591.

⁴⁰⁷ See *supra* note 396–397 and accompanying text.

⁴⁰⁸ See Winklevoss Order, *supra* note 12, 83 FR at 37591.

⁴⁰⁹ See Notice and OIP, *supra* note 7, 84 FR at 23134. In this context, the Sponsor refers to the bitcoin futures market as consisting of the market for cash-settled bitcoin futures contracts on CFE and CME. See Bitwise Submission II, *supra* note 9, at 56. As noted above, CFE ceased offering new bitcoin futures contracts as of March 2019, see *supra* note 38, and therefore the Commission considers here whether CME bitcoin futures market is a regulated market of significant size. See *infra* note 457.

⁴¹⁰ See Notice and OIP, *supra* note 7, 84 FR at 23134.

³⁹⁹ See Omniex Letter, *supra* note 9, at 3–4.

⁴⁰⁰ See *supra* notes 396–399 and accompanying text.

⁴⁰¹ See 15 U.S.C. 78f(b)(5). See *infra* Section 0 for further discussion about whether NYSE Arca's surveillance-sharing agreement with the bitcoin futures market is with a regulated market of significant size.

⁴⁰² See Winklevoss Order, *supra* note 12, 83 FR at 37590–91.

⁴⁰³ See *id.* at 37591.

⁴⁰⁴ See *supra* note 398 and accompanying text.

⁴⁰⁵ See Winklevoss Order, *supra* note 12, 83 FR at 37591.

market in surrounding months.⁴¹⁶ According to the Sponsor, while the bitcoin futures market “would clearly not satisfy” the requirement that someone attempting to manipulate the spot market would be reasonably likely to have to trade in the derivatives market if the bitcoin spot market were trading \$11 billion per day, the Sponsor’s “new understanding of the true size of the bitcoin spot market reshapes this discussion considerably.”⁴¹⁷

In addition, the Sponsor asserts that, since the CME and CFE contracts launched in December 2017, the volume and significance of bitcoin futures contracts has grown substantially, with the vast majority of the volume linked to CME’s contract.⁴¹⁸ The Sponsor represents that, from December 2017 to April 2019, the combined average daily notional volume of CME and CFE bitcoin futures grew from 9,286 bitcoin to 69,177 bitcoin, showing a growth of 645%.⁴¹⁹ The Sponsor asserts that,

⁴¹⁶ The Sponsor asserts that at the time of its first analysis, in March 2019, the average daily volume of the bitcoin futures market was \$91 million, as compared to reported daily volume in the spot market of approximately \$6 billion and “real” daily volume in the spot market of around \$273 million. See Notice and OIP, *supra* note 7, 84 FR at 23134; Bitwise Submission I, *supra* note 6, at 121. The Sponsor further asserts that bitcoin futures market average daily volume in March 2019 was nearly as large as the average daily volume for the largest “real” spot platform, Binance, and larger than the rest. See Notice and OIP, *supra* note 7, 84 FR at 23134; Bitwise Submission I, *supra* note 6, at 65, 123. The Sponsor has graphed futures volume as expressed as a percentage of “real” spot volume from December 2017 through February 2019 and asserts that this chart shows an increase to approximately 35% in February 2019. See Bitwise Submission I, *supra* note 6, at 122. The Sponsor asserts that, while in earlier periods bitcoin futures volume was consistently less than 10% the size of “real” spot volume, since February 2019, bitcoin futures volume has consistently averaged more than 25% as a percentage of “real” spot volume, and was more than 50% of “real” spot volume in May 2019. See Bitwise Submission III, *supra* note 9, at 157, 159. The Sponsor also asserts that in May 2019, the CME bitcoin futures market had a higher average daily trading volume than any of the ten “real” bitcoin spot platforms and set new average daily trading volume records. See Bitwise Submission IV, *supra* note 9, at 5. In addition, the Sponsor asserts that in August 2019, the average daily volume of the bitcoin futures market was \$234 million, as compared to reported daily volume in the spot market of approximately \$17 billion and “real” daily volume in the spot market of around \$1 billion. See Bitwise Submission VI, *supra* note 9, at 29. See also *id.* at 25 (showing aggregate average daily volume of the ten “real” spot bitcoin platforms from December 2017 through August 2019 and asserting that, since March 2019, volume has increased substantially).

⁴¹⁷ Bitwise Submission II, *supra* note 9, at 59.

⁴¹⁸ See *id.* at 56, 58–59; Bitwise Submission III, *supra* note 9, at 11.

⁴¹⁹ See Bitwise Submission II, *supra* note 9, at 56. See also Bitwise Submission III, *supra* note 9, at 155 (asserting that in April 2019, the CME futures contract traded an average daily volume of more

while CME’s bitcoin futures notional volume in dollars has shown some variability, and declined along with a decline in prices in late 2018, volumes have strongly picked up in 2019.⁴²⁰ The Sponsor also asserts that CME’s bitcoin futures notional volume in bitcoin shows strong and steady growth, with a “remarkable” expansion in 2019.⁴²¹ The Sponsor further asserts that CME bitcoin futures notional volume as a percentage of “real” bitcoin spot volume has been strong and steadily growing, with further acceleration in April and May 2019.⁴²²

With respect to CFE’s decision in March 2019 to stop further issuance of its bitcoin futures, the Sponsor asserts that the consensus is that the limited volume on CFE will migrate to the already dominant CME contract.⁴²³ The

than 67,000 bitcoin on a notional basis, representing a roughly 630% increase over the median daily notional trading volume on CME since inception). The Sponsor also has graphed the average number of futures contracts traded daily and regulated bitcoin futures volume as a percentage of “real” bitcoin spot volume from December 2017 through May 2019. See Bitwise Submission II, *supra* note 9, at 56, 59.

⁴²⁰ See Bitwise Submission II, *supra* note 9, at 74–75. The Sponsor represents that in the first 20 days of May 2019, the average daily volume for CME futures contracts was \$517 million, the highest level ever for a month, and dollar volume hit an all-time high on May 13, 2019, with \$1.3 billion in notional volume traded and a record of 33,677 bitcoin contracts traded. See *id.* at 74; Bitwise Submission III, *supra* note 9, at 11. The Sponsor has graphed CME average daily volume in USD to provide more detail on this trend. See Bitwise Submission II, *supra* note 9, at 75; Bitwise Submission VI, *supra* note 9, at 26. In addition, the Sponsor represents that the average daily volume for CME futures contracts in August 2019 was \$234,385,300 and that the volume “increased substantially” since March 2019. See Bitwise Submission VI, *supra* note 9, at 9, 26.

⁴²¹ See Bitwise Submission II, *supra* note 9, at 75–76. The Sponsor has graphed CME average daily volume in bitcoin. See *id.* at 76.

⁴²² See *id.* at 76–77. The Sponsor represents that in April and May 2019, volumes on the CME bitcoin futures market often exceeded those on the largest “real” spot platform, and sometimes significantly. See *id.* at 77. According to the Sponsor, on May 13, 2019, CME volumes, at \$1.3 billion, were two times as large as the largest spot bitcoin platform, Binance, at approximately \$650 million. See *id.*; Bitwise Submission III, *supra* note 9, at 11. The Sponsor has graphed CME bitcoin futures volume as a percentage of “real” bitcoin spot volume. See Bitwise Submission II, *supra* note 9, at 77; Bitwise Submission VI, *supra* note 9, at 9, 28.

⁴²³ See Bitwise Submission I, *supra* note 6, at 123; Bitwise Submission II, *supra* note 9, at 74; Bitwise Submission IV, *supra* note 9, at 4. The Sponsor asserts that the CME futures contract has dominated the market and that, on May 13, 2019, the CME futures contract traded at \$1.2 billion in notional value, while the CFE contract traded at \$62 million in notional value. See Bitwise Submission II, *supra* note 9, at 73–74. See also *id.* at 56 (representing that from December 2017 to April 2019, the CME futures contract grew from 57% to 98% of the total regulated bitcoin futures market); Bitwise Submission IV, *supra* note 9, at 3–4 (showing the average daily trading volume in most active

Sponsor argues that CFE’s decision to stop offering new bitcoin futures contracts suggests that CFE lost a competitive battle with CME to attract investors and traders to its contract, and does not suggest anything about the long-term health of the bitcoin futures market, noting that, after CFE’s announcement, CME bitcoin futures volume set new monthly records in April and May 2019.⁴²⁴ The Sponsor also represents that it is common for futures volumes to concentrate on a single contract and a single exchange because there is an advantage to aggregating liquidity.⁴²⁵

The Sponsor argues that prices on the bitcoin futures market are closely aligned with the Bitwise Daily Bitcoin Reference Price and the Bitwise Real-Time Bitcoin Price, and that strong arbitrage exists between these prices.⁴²⁶ The Sponsor asserts that there is a logical connection between the prices, because the CME futures settlement price is based on prices pulled from four of the platforms that contribute to the Bitwise Daily Bitcoin Reference Price and Bitwise Real-Time Bitcoin Price, and the CFE futures settlement price is based on prices pulled from one such platform.⁴²⁷ The Sponsor further asserts that its analysis demonstrates that all “real” bitcoin spot markets trade effectively at a single price, suggesting that the CME bitcoin futures market must trade at a price tightly linked to the consolidated spot price.⁴²⁸ The Sponsor acknowledges that the correlation between the prices is limited by the term structure of the futures contract and the asymmetric cost of hedging a futures position, because it is less expensive to hedge a short position in bitcoin futures than a long position in bitcoin futures.⁴²⁹

monthly contract for CME and CFE, and discussing reasons why the CME contract became dominant). In addition, the Sponsor asserts, based on a graph it has prepared showing the average daily volume for CME and CFE bitcoin futures from December 2017 through August 2019, that CFE’s decision to stop issuing its bitcoin futures has not diminished the trend of increased bitcoin futures volume. See Bitwise Submission VI, *supra* note 9, at 27.

⁴²⁴ See Bitwise Submission IV, *supra* note 9, at 4.

⁴²⁵ See *id.*

⁴²⁶ See Notice and OIP, *supra* note 7, 84 FR at 23134; Bitwise Submission II, *supra* note 9, at 77–82.

⁴²⁷ See Notice and OIP, *supra* note 7, 84 FR at 23134; Bitwise Submission I, *supra* note 6, at 124; Bitwise Submission II, *supra* note 9, at 77.

⁴²⁸ See Bitwise Submission II, *supra* note 9, at 77.

⁴²⁹ See Notice and OIP, *supra* note 7, 84 FR at 23134.

The Sponsor asserts that there are low levels of average deviation between the CME futures contract price and the consolidated spot price.⁴³⁰ According to the Sponsor, a line graph comparing the CME bitcoin futures contract price with the consolidated spot price from January 2018 through May 2019 shows some “minor discrepancies” in January to March 2018, but the Sponsor asserts that, following that period, “the two lines are virtually identical.”⁴³¹ The Sponsor has also examined the average deviation of the price of the CME contract and consolidated spot price on a second-by-second basis from December 2017 through April 2019.⁴³² The Sponsor asserts that in December 2017, average deviations were nearly 2%, but then came down substantially, largely hovering below 0.25%.⁴³³ According to the Sponsor, these average deviations are similar to the 0.05% to 0.20% average deviation for individual spot platforms over the same time frame, with slightly wider deviations in the futures market that are to be expected because of futures markets’ term structure.⁴³⁴

The Sponsor represents that all futures markets exhibit contango, when futures contracts trade at a higher price than the spot market, and backwardation, when futures contracts trade at a lower price than the spot market.⁴³⁵ According to the Sponsor, bitcoin futures have traded essentially in-line with the spot market, without significant contango or backwardation, but backwardation and contango have appeared occasionally, with backwardation appearing much more frequently than contango.⁴³⁶ The Sponsor asserts that the most significant periods of backwardation in the bitcoin futures market occurred during pronounced pullbacks in the bitcoin spot market.⁴³⁷ The Sponsor further

⁴³⁰ See Bitwise Submission II, *supra* note 9, at 78–81.

⁴³¹ See *id.* at 78. See also Bitwise Submission I, *supra* note 6, at 125 (providing a line graph of a global spot price as compared to the CME futures price from 2018 through early March 2019 that, according to the Sponsor, shows that arbitrage between the CME futures price and global spot price is “firmly established”).

⁴³² See Bitwise Submission II, *supra* note 9, at 78–79.

⁴³³ See *id.* at 79.

⁴³⁴ See *id.*

⁴³⁵ See *id.*

⁴³⁶ See *id.*

⁴³⁷ See *id.* The Sponsor represents that on November 14, 2018, the bitcoin spot market fell from \$6,200 to \$5,500 over concerns about a bitcoin cash fork and that this downward move and concerns about bitcoin’s outlook drove the futures market into backwardation, which generally persisted through January 2019, when the bitcoin market stabilized. See *id.* at 79–80. According to the Sponsor, the average backwardation during this period was 0.74%, which explains the higher

asserts that the level of backwardation in the bitcoin futures market is strictly constrained by arbitrage, but that backwardation can emerge and persist because the cost of borrowing bitcoin to short in the spot market is relatively high.⁴³⁸ The Sponsor argues that the “extremely low” average deviation between prices in normal months and rationally constrained deviations during stress periods, such as November 2018, suggests that institutional-quality arbitrageurs are enforcing strong arbitrage between the CME futures market and the spot market at all times.⁴³⁹

The Sponsor asserts that the speed at which price discrepancies are arbitrated away also demonstrates the quality of arbitrage between the CME bitcoin futures price and bitcoin spot price.⁴⁴⁰ The Sponsor has created a histogram displaying the speed at which pricing discrepancies above 1% between the CME bitcoin futures price and consolidated bitcoin spot price were arbitrated away.⁴⁴¹ The Sponsor represents that these data show that more than 50% of all pricing discrepancies greater than 1% were arbitrated away within 1 second, and that more than 90% of all pricing discrepancies greater than 1% were arbitrated away within 49 seconds.⁴⁴² According to the Sponsor, the results demonstrate that the CME bitcoin futures price and the consolidated spot price trade closely together and their disparities are rapidly arbitrated away, meeting the Commission’s criteria for demonstrating effective arbitrage between markets.⁴⁴³

Several commenters assert that the CME bitcoin futures market constitutes a significant market.⁴⁴⁴ One commenter

average deviation between the CME futures price and spot bitcoin price from November 2018 through January 2019, but the average deviation settled back to below 0.25% as the term structure of the futures market normalized. See *id.* at 80.

⁴³⁸ See *id.* at 80 (representing that the cost of borrowing bitcoin to short historically ranges from 5% to 10% per year, or 0.4% to 0.8% per month, and that this monthly cost is directly in-line with levels of observed backwardation in November 2018 through January 2019).

⁴³⁹ See *id.* at 80–81.

⁴⁴⁰ See *id.* at 81.

⁴⁴¹ See *id.*

⁴⁴² See *id.* (asserting that these data echo the data comparing individual spot bitcoin platforms against one another).

⁴⁴³ See *id.*

⁴⁴⁴ See Castle Island Ventures Letter, *supra* note 9, at 2; Collaborative Fund Letter, *supra* note 9, at 1–2 (asserting that the Sponsor’s study identifying the ten platforms with “real and verifiable volume” means that the CME futures market is of significant size “by nearly any definition”); Omniex Letter, *supra* note 9, at 4–5 (asserting that the Sponsor’s analysis shows CME’s bitcoin futures market is a large, surveilled, and regulated market, when compared with the “real” bitcoin market, and that

represents that the bitcoin futures market is larger than those associated with other ETPs that the Commission has previously approved, such as the palladium futures market associated with the Aberdeen Standard Physical Palladium Shares ETF, formerly known as ETFS Palladium Trust, and the freight futures market associated with the Breakwave Dry Bulk Shipping ETF.⁴⁴⁵ Another commenter states that the bitcoin futures market is now large and robust, regularly trading over \$100 million in daily notional trading volume, and represents a material proportion of the overall bitcoin market.⁴⁴⁶ A third commenter states that the bitcoin futures market had low volumes until recently, although there has been an increase in volume since April 2019, and that the size of the bitcoin futures market pales in comparison to others futures markets.⁴⁴⁷ This commenter asserts that the futures market has not even completed one calendar year and so cannot be considered mature.⁴⁴⁸

Finally, the Sponsor asserts that it examined the net inflows in the first year of existence for two types of ETPs—commodity ETPs that were first to market in the United States and blockchain-technology-related ETPs—and that, given the size of these inflows as compared to the size of the “real” bitcoin market, it is unlikely that trading in the proposed ETP would become the predominant influence on prices in that market.⁴⁴⁹ The Sponsor represents that the net inflows of these comparable ETPs in their first year on the market ranged from approximately \$2 million to approximately \$3 billion, with a median on the lower end of that range.⁴⁵⁰ The Sponsor asserts that, over the course of a year, a spot market that is trading \$273 million per day could easily absorb \$3 billion in total inflows.⁴⁵¹ The Sponsor also asserts that the CoinShares Bitcoin Tracker One ETN and CoinShares Tracker Euro ETN, both listed on Nasdaq Stockholm, each attracted approximately \$50 million in

there is a close relationship in pricing between the bitcoin futures market and the spot market).

⁴⁴⁵ See Collaborative Fund Letter, *supra* note 9, at 2.

⁴⁴⁶ See Castle Island Ventures Letter, *supra* note 9, at 2.

⁴⁴⁷ See Shenoy Letter III, *supra* note 69, at 10.

⁴⁴⁸ See *id.*; see also *id.* at 13 (recommending a longitudinal observation over a period of at least another cycle of the futures market to observe the stability of the market and allow for the emergence of genuine price discovery and reduction of opaqueness).

⁴⁴⁹ See Notice and OIP, *supra* note 7, 84 FR at 23134.

⁴⁵⁰ See *id.*; Bitwise Submission I, *supra* note 6, at 128, 130.

⁴⁵¹ See Bitwise Submission I, *supra* note 6, at 130.

assets in the first year.⁴⁵² The Sponsor further asserts that the GLD ETP, which attracted \$469 million in its first day on the market and more than \$1 billion over its first three days, was an outlier that was more than two times larger than any other ETP and orders of magnitude larger than the average result.⁴⁵³ According to the Sponsor, a similar outcome is extremely unlikely for the proposed ETP because the gold market is significantly larger and more established than the bitcoin market, and conditions have changed in the ETP market such that brokerage and advisory platforms now have detailed due diligence and approval processes that smooth out asset growth.⁴⁵⁴

(b) Analysis

The Commission concludes that NYSE Arca has not entered into a surveillance-sharing agreement with a regulated bitcoin futures market of significant size. The Sponsor acknowledges that the “Commission has correctly identified the need for, value of, and definition of a surveilled derivatives market of significant size,” and contends that the CME futures market is “significant in size” compared to the “real” spot market that the Sponsor identifies.⁴⁵⁵ The Sponsor argues that, given the relative size of the bitcoin futures markets and the close relationship in prices between the derivatives market and the “real” spot market, there is a reasonable likelihood that a person attempting to manipulate the proposed ETP would also have to trade on the derivatives market to successfully manipulate the ETP.⁴⁵⁶ While the Commission recognizes that the CFTC regulates the CME and CFE futures markets, the evidence that the Sponsor presents regarding the relative size of the bitcoin futures market and the relationship in prices between the spot and futures markets does not, as explained further below, establish the interrelationship between the futures

market and the proposed ETP, or directionality of that interrelationship, that would make the bitcoin futures market a “market of significant size” in the context of the proposed ETP.⁴⁵⁷

The Sponsor’s assertions about the size of the bitcoin futures market, either in an absolute sense or in comparison to the size of what the Sponsor identifies as the “real” spot market, do not establish that the bitcoin futures market is significant.⁴⁵⁸ As described in the Winklevoss Order and Commission orders considering bitcoin-related trust issued receipts, the Commission’s interpretation of the term “market of significant size” depends on the interrelationship between the market with which the listing exchange has a surveillance-sharing agreement and the proposed ETP.⁴⁵⁹ This interrelationship must be such that there is a reasonable likelihood that a person attempting to manipulate the proposed ETP would also have to trade on that market to successfully manipulate the ETP.⁴⁶⁰ The Sponsor’s assertions about the size of the bitcoin futures market, including in comparison to the “real” bitcoin spot market that serves as the basis for the proposed ETP’s pricing mechanism, are not sufficient to establish an interrelationship between the bitcoin futures market and the proposed ETP.

As discussed above, the Sponsor has not shown that it has identified all of

the “real” volume in the bitcoin spot market, and it has failed to support its assertion that the presence of more “real” volume in the market would not materially change its conclusions, which would include its conclusions about whether the bitcoin futures market is “significant.”⁴⁶¹ Therefore, the approximately \$554 million in average daily volume in the spot market that the Sponsor cites may be significantly understated—and the relative size of the bitcoin futures market may be respectively overstated.⁴⁶² In any event, without accurate information about the size of the “real” bitcoin spot market, the Sponsor cannot substantiate its arguments about the relative sizes of the futures and spot markets for bitcoin, and thus has not met its burden to demonstrate that the proposed rule change is consistent with the Exchange Act. In addition, while the Sponsor cites growth in the bitcoin futures market, particularly during April and May 2019,⁴⁶³ this growth will not necessarily continue without a slowdown or even reversal.⁴⁶⁴ The Trust’s Registration Statement acknowledges that the bitcoin futures market “has limited trading history and operational experience and may be less liquid, more volatile and more vulnerable to economic, market and industry changes than more established futures markets.”⁴⁶⁵ NYSE Arca and the Sponsor do not address this statement or whether future volatility in bitcoin futures market volumes would affect whether this market is significant.⁴⁶⁶

In addition, the record does not establish that there is a close alignment between the “real” bitcoin spot market, which serves as the basis for the Trust’s NAV and IIV pricing, and the bitcoin futures market.⁴⁶⁷ The Sponsor presents

⁴⁶¹ See *supra* Section III.B.1(c).

⁴⁶² See *supra* note 414 and accompanying text.

⁴⁶³ See *supra* notes 418–422 and accompanying text.

⁴⁶⁴ While the Sponsor asserts that a graph of the average daily volume for CME and CFE bitcoin futures from December 2017 through August 2019 shows a continuing trend of increased bitcoin futures volume since the CFE stopped issuing new bitcoin futures, this graph shows lower volume in July and August 2019, as compared to April and May 2019. See *supra* note 423.

⁴⁶⁵ Registration Statement, *supra* note 31, at 11.

⁴⁶⁶ The Sponsor’s assertions that the volume on the CFE futures market in recent months will likely migrate to the CME contract now that the CFE has stopped further issuance of its bitcoin futures is speculative. See *supra* notes 423–425 and accompanying text. However, particularly given the limited size of the CFE bitcoin futures market in recent months, the Commission’s analysis does not depend on whether or not this volume migrates to the CME bitcoin futures market.

⁴⁶⁷ See *supra* notes 426–443 and accompanying text.

⁴⁵² See *id.* at 129.

⁴⁵³ See *id.* at 131.

⁴⁵⁴ See *id.*

⁴⁵⁵ Bitwise Submission III, *supra* note 9, at 151. See also *supra* note 124.

⁴⁵⁶ See *supra* note 410 and accompanying text. The Commission notes that, based on the common membership of NYSE Arca, CME, and CFE in the Intermarket Surveillance Group, see *supra* note 411 and accompanying text, NYSE Arca has the equivalent of a comprehensive surveillance-sharing agreement with CME and CFE. See *supra* note 15. In addition, although one commenter questions whether the bitcoin futures market is regulated, see *supra* note 411, the Commission recognizes that the CFTC comprehensively regulates CME and CFE. However, the CFTC is not responsible for direct, comprehensive regulation of the underlying bitcoin spot market. See Winklevoss Order, *supra* note 12, 83 FR at 37587, 37599.

⁴⁵⁷ While the Sponsor’s assertions about the bitcoin futures market address trading on the both the CME and the CFE, as noted above, the CFE ceased offering new bitcoin futures contracts as of March 2019, see *supra* note 38. Therefore any surveillance sharing between NYSE Arca and the CFE would not cover an actively traded bitcoin futures market. While the Commission considers evidence in the record concerning the CFE bitcoin futures market in the context of the overall bitcoin futures market, the Commission does not take a position on whether the CFE bitcoin futures market would constitute a significant, regulated market if it were still offering new bitcoin futures contracts. The Commission notes that the ICE Futures U.S. exchange began offering bitcoin futures contracts as of September 2019. See BAKKT Bitcoin (USD) Monthly And Daily Futures Contracts Trading to Begin on Monday, September 23, 2019, ICE Futures U.S. (Aug. 16, 2019), available at https://www.theice.com/publicdocs/futures_us/exchange_notices/ICE_Futures_US_BTC_Launch2019_20190816.pdf (last visited Oct. 7, 2019). However, the record contains no information about the volume of ICE Futures U.S.’s bitcoin futures product or whether the Sponsor has a relevant surveillance-sharing agreement with ICE Futures U.S.

⁴⁵⁸ See *supra* notes 412–422 and accompanying text. Several commenters similarly make arguments that rely on the absolute or relative size of the bitcoin futures market. See *supra* notes 444–448 and accompanying text.

⁴⁵⁹ See Winklevoss Order, *supra* note 12, 83 FR at 37594; ProShares Order, *supra* note 12, 83 FR at 43936; GraniteShares Order, *supra* note 12, 83 FR at 43925; Direxion Order, *supra* note 12, 83 FR at 43914.

⁴⁶⁰ See *supra* note 16 and accompanying text.

an analysis of the level of average deviation between the CME futures contract price and the consolidated spot price, and of the speed at which pricing discrepancies of over 1% between the CME bitcoin futures price and the consolidated spot price are arbitrated away.⁴⁶⁸ However, the Sponsor's comparison between the spot and futures markets suffers from the same flaws seen in its analysis of arbitrage among the "real" spot platforms.⁴⁶⁹

The Sponsor's argument relies heavily on conclusory statements that are insufficient. For example, the Sponsor asserts that evidence "suggests" that institutional-quality arbitrageurs are enforcing strong arbitrage between the futures and spot markets at all times, but this is *post hoc* reasoning, rather than an analysis of the underlying reasons for any price correlation, and, further, the Sponsor simply assumes that its descriptions of the reasons for contango and backwardation in bitcoin futures trading explain the observed deviations between spot and futures prices.⁴⁷⁰ The Sponsor also points to overlap between certain "real" platforms used in the Trust's pricing mechanism and the pricing mechanism for the CME bitcoin futures (and the CFE bitcoin futures that are no longer traded), and asserts that its analysis showing that all "real" bitcoin spot markets trade effectively at a single price suggests that the bitcoin futures market trades at a price tightly linked to the consolidated spot price calculated by the Sponsor.⁴⁷¹ However, as discussed above, the Sponsor has not provided sufficient evidence to support its assertions regarding the effectiveness of arbitrage in the "real" spot market.⁴⁷² In addition, the Sponsor has not demonstrated that its consolidated spot price is comparable to the price that would be generated by the Trust's pricing mechanism.⁴⁷³

⁴⁶⁸ See *supra* notes 430–443 and accompanying text. See *supra* Section III.B.1(b) for discussion about the Sponsor's calculation of a "consolidated price" for the bitcoin spot market.

⁴⁶⁹ See *supra* notes 151–154 and accompanying text.

⁴⁷⁰ See *supra* note 439 and accompanying text. The Commission notes that the Sponsor's discussion of backwardation and contango in the bitcoin futures market, see *supra* notes 435–439 and accompanying text, is generally not relevant because it does not bear directly on whether the bitcoin futures market is a market "of significant size."

⁴⁷¹ See *supra* notes 427–428 and accompanying text.

⁴⁷² See *supra* notes 151–154 and accompanying text.

⁴⁷³ While the Notice and OIP refers to alignment of the bitcoin futures market with the Bitwise Daily Bitcoin Reference Price and the Bitwise Real-Time Bitcoin Price, see *supra* note 426 and accompanying

The Commission also notes that the record contains no evidence about the lead-lag relationship between the bitcoin futures market and the spot market, which is central to understanding whether it is reasonably likely that a would-be manipulator of the ETP would need to trade on the bitcoin futures market to successfully manipulate prices on those spot platforms that feed into the proposed ETP's pricing mechanism. In particular, if the spot market leads the futures market, this would indicate that it would not be necessary to trade on the futures market to manipulate the proposed ETP, even if arbitrage worked efficiently, because the futures price would move to meet the spot price. Additionally, NYSE Arca and the Sponsor have not provided sufficient data to support the Sponsor's assertions that it is unlikely that trading in the proposed ETP would become the predominant influence on prices in the bitcoin market.⁴⁷⁴ The Sponsor's assertions about the likely inflows for the proposed ETP are speculative, and the Sponsor has not provided the data underlying its cited analysis.

Finally, the Commission notes that the charts and graphs that the Sponsor has prepared present a particular view of its analysis that vary based on choices made, including scaling. For example, the Sponsor provides a line graph of the CME bitcoin futures contract price versus the consolidated spot price from January 2018 through May 2019 and asserts that, "[w]hile some minor discrepancies exist in the January–March 2018 time frame, after that, the two lines are virtually identical."⁴⁷⁵ Due to the scaling of the line graph—the graph covers over 16 months and the "y" axis ranges from 2,500 to 20,000 USD—it is very difficult to see differences between the lines representing the CME futures contract price and the consolidated spot price, even during the January through March 2018 period that had noted "minor discrepancies."⁴⁷⁶ In contrast, as part of the Sponsor's discussion of contango and backwardation, the Sponsor has

text, the Sponsor's analysis compares the futures market to its calculated consolidated spot price, which is not the same as the price that would be generated by the Trust's pricing mechanism. The Commission notes that an earlier analysis by the Sponsor compared the CME futures market to a global spot price, see *supra* note 431, which again is not the same as the Trust's pricing mechanism.

⁴⁷⁴ See *supra* notes 449–454 and accompanying text.

⁴⁷⁵ Bitwise Submission II, *supra* note 9, at 78. See also *supra* note 431 and accompanying text.

⁴⁷⁶ The Commission notes that the Sponsor does not elaborate on the reasons for these discrepancies and why they do not affect its conclusions.

prepared a line graph of the CME bitcoin futures contract price versus the consolidated spot price from November 13, 2018, through November 16, 2018—this time scaled to show a four-day period and with a "y" axis ranging from 5,200 to 6,200 USD—that shows visible differences between the lines.⁴⁷⁷ In addition, the Sponsor's presentation of average deviation, without accompanying information about median, minimum, or maximum deviations, may obscure transient events. Further, the Sponsor's choice to group together all deviations over 1%, regardless of size, obscures whether some deviations were quite large and how long a large deviation would persist.

Therefore the Commission cannot conclude, based on the current record, that the CME bitcoin futures market is a "market of significant size," such that NYSE Arca would be able to rely on surveillance-sharing with the CME to provide sufficient protection against fraudulent and manipulative acts and practices.⁴⁷⁸ The Commission recognizes that, over time, bitcoin-related markets may continue to grow and develop. For example, existing or newly created bitcoin futures markets that are regulated may achieve significant size, and an ETP listing exchange may be able to demonstrate in a proposed rule change that it will be able to address the risk of fraud and manipulation by sharing surveillance information with a regulated market of significant size related to bitcoin, as well as, where appropriate, with the relevant spot markets underlying such bitcoin derivatives. Should these circumstances develop, or conditions otherwise change in a manner that affects the Exchange Act analysis, the Commission would then have an opportunity to consider whether a bitcoin ETP would be consistent with the requirements of the Exchange Act.⁴⁷⁹

4. Assertions That Arguments Are Mutually Reinforcing

The Sponsor asserts that, while each of its two main arguments that it has

⁴⁷⁷ See Bitwise Submission II, *supra* note 9, at 80.

⁴⁷⁸ The Commission notes that a surveillance-sharing agreement with a bitcoin futures exchange is distinguishable from a surveillance-sharing agreement with a spot bitcoin platform, which would lack the ability of a self-regulatory organization to discipline its members to compel compliance with surveillance-sharing requirements. Further, unlike the record underlying the Winklevoss Order, the record here does not contain evidence that NYSE Arca would have a surveillance-sharing agreement with one or more of the underlying spot platforms.

⁴⁷⁹ See Winklevoss Order, *supra* note 12, 83 FR at 37580.

satisfied the standard set forth in the Commission's orders concerning bitcoin-based commodity trusts and trust issued receipts is convincing on its own—that the underlying bitcoin market and the Trust's NAV process are uniquely resistant to market manipulation and fraudulent activity, and that NYSE Arca has entered into a surveillance-sharing agreement with a regulated bitcoin futures market of significant size—the two arguments together are “mutually reinforcing and positive.”⁴⁸⁰ The Sponsor also states that while it does not intend to suggest that the bitcoin market is immune from all forms of potential manipulation, the risks of trading on a platform must be weighed against the benefits, and that, as with past Commission approvals of ETPs, the unique quality of the bitcoin market adds comfort to the presence of a surveillance-sharing agreement between the listing exchange and a regulated market of significant size.⁴⁸¹ The Sponsor draws a comparison to the Commission's approval of the streetTRACKS Gold Shares ETP, in which, according to the Sponsor, the Commission hinged its approval on the existence of a surveilled market for gold futures, but took “comfort” in the liquidity and diversity of the OTC market for gold.⁴⁸²

Despite the Sponsor's assertions that its arguments are mutually reinforcing,⁴⁸³ NYSE Arca and the Sponsor do not articulate any basis for applying a lesser standard for either measure as set forth in the Commission's orders concerning bitcoin-based commodity trusts and trust issued receipts.⁴⁸⁴ As the Commission has stated above, in the

absence of a showing that the bitcoin market is uniquely resistant to manipulation, or that other alternative means are present to prevent fraud and manipulation, a surveillance-sharing agreement with a regulated market of significant size related to bitcoin is required to ensure that, in compliance with the Exchange Act, the proposal is designed to prevent fraudulent and manipulative acts and practices.⁴⁸⁵

The Sponsor asserts that, in the Gold Order, the Commission “found comfort” in the liquidity and diversity of the gold OTC market.⁴⁸⁶ Yet the Sponsor acknowledges that the Commission's approval in the Gold Order “hinged” on the existence of a surveilled market for gold futures.⁴⁸⁷ The Gold Order both recognized these characteristics of the gold OTC market and reflected the Commission's view that “[i]nformation sharing agreements with markets trading securities underlying a derivative are an important part of a self-regulatory organization's ability to monitor for trading abuses in derivative products.”⁴⁸⁸ Further, the Gold Order states that “the Commission believes that the unique liquidity and depth of the gold market, *together with the MOU [Memorandum of Understanding] with NYMEX (of which COMEX is a Division)* and NYSE Rules 1300(b) and 1301, create the basis for the [ETP listing exchange] to monitor for fraudulent and manipulative practices in the trading of the Shares.”⁴⁸⁹ Moreover, for the commodity-trust ETPs approved to date for listing and trading, there has been in every case at least one significant, regulated market for trading futures on the underlying commodity and the ETP listing exchange has entered into surveillance-sharing agreements with, or held Intermarket Surveillance Group membership in common with, that market.⁴⁹⁰ Thus, even if the Commission accepted the representations by the Sponsor about the liquidity and depth of the spot market for bitcoin, the Commission's disapproval of NYSE Arca's proposal

would nonetheless be consistent with the Gold Order and the Commission's other approvals of commodity-trust ETPs.

C. Whether NYSE Arca Has Met Its Burden To Demonstrate That the Proposal Is Consistent With the Protection of Investors and the Public Interest

NYSE Arca contends that, if approved, its ETP would protect investors and the public interest, but the Commission finds that NYSE Arca has not made such a showing on the current record. The Commission must consider any potential benefits in the broader context of whether the proposal meets each of the applicable requirements of the Exchange Act. And because NYSE Arca has not demonstrated that its proposed rule change is designed to prevent fraudulent and manipulative acts and practices, the Commission must disapprove the proposal.

1. Representations Made and Comments Received

NYSE Arca asserts that the proposal will facilitate the listing and trading of a new type of ETP based on the price of bitcoin that will enhance competition among market participants, to the benefit of investors and the marketplace.⁴⁹¹ In addition, the Sponsor asserts that the proposed bitcoin ETP would provide many benefits to the bitcoin market and potential benefits to investors, and would be an incremental positive to the market by creating another regulated market for price discovery.⁴⁹² According to the Sponsor, the design of the Trust and the fundamental nature of the bitcoin market would help mitigate risk factors that come from pricing, valuation, market manipulation, and related concerns.⁴⁹³ The Sponsor represents that broker-dealers have expressed a desire for the ability to offer clients a bitcoin ETP as a way to allow their clients to have institutionally-managed exposure to bitcoin, rather than buying bitcoin individually from platforms.⁴⁹⁴

One commenter states that the proposed ETP would provide investors with a familiar, easily accessible, and secure financial product that would be subject to disclosure requirements and a more substantive regulatory regime than that imposed by the spot platforms.⁴⁹⁵ This commenter also states that the

⁴⁸⁰ See Bitwise Submission III, *supra* note 9, at 51, 107.

⁴⁸¹ See *id.* at 43.

⁴⁸² See *id.* (citing Securities Exchange Act Release No. 50603 (Oct. 28, 2004), 69 FR 64614, 64619 (Nov. 5, 2004) (SR-NYSE-2004-22) (“Gold Order”), which describes the importance of information sharing agreements with markets trading securities underlying a derivative, the presence of the information sharing agreement between the listing exchange and the gold futures market, and the nature of both the OTC and futures markets for gold). See also *id.* at 107; Notice and OIP, *supra* note 7, 84 FR at 23128; Bitwise Submission I, *supra* note 6, at 89.

⁴⁸³ See *supra* notes 480–482 and accompanying text.

⁴⁸⁴ Even if NYSE Arca could show that bitcoin or the bitcoin market had certain properties that provided some resistance to manipulation, it would not lessen the need for a surveillance-sharing agreement with a significant, regulated market related to bitcoin or bitcoin derivatives. Conversely, the Commission concludes that even if NYSE Arca could show that it had entered into a surveillance-sharing agreement with a regulated market of substantial, but not “significant,” size, it would not lessen the need to show that bitcoin or the bitcoin market is uniquely resistant to manipulation.

⁴⁸⁵ See *supra* note 15 and accompanying text.

⁴⁸⁶ See *supra* note 482 and accompanying text.

⁴⁸⁷ See *supra* note 482 and accompanying text.

⁴⁸⁸ See Gold Order, *supra* note 482, 69 FR at 64619.

⁴⁸⁹ *Id.* (emphasis added). See also Winklevoss Order, *supra* note 12, 83 FR at 37594–95 (discussing Commission approvals of gold, platinum, palladium, and copper ETPs). The Sponsor acknowledges that the “availability of a surveillance-sharing agreement with a derivatives market of significant size” relating to the “gold market” provides protection against market manipulation. Bitwise Submission III, *supra* note 9, at 107.

⁴⁹⁰ See Winklevoss Order, *supra* note 12, 83 FR at 37594.

⁴⁹¹ See Notice and OIP, *supra* note 7, 84 FR at 23136.

⁴⁹² See Bitwise Submission I, *supra* note 6, at 202; Bitwise Submission III, *supra* note 9, at 167.

⁴⁹³ See Bitwise Submission I, *supra* note 6, at 202.

⁴⁹⁴ See *id.* at 204.

⁴⁹⁵ See Omniex Letter, *supra* note 9, at 2.

proposed ETP would reduce risks that investors face when directly transacting in bitcoin via spot platforms, including risks relating to cryptographic key maintenance, hacking attacks, and computer errors.⁴⁹⁶ This commenter further asserts that the proposed ETP would enhance protections for all investors by encouraging disciplined and sophisticated institutional participants to join the market, and would reduce retail-specific risks because Shares would be purchased through brokerage accounts with associated client risk tolerance and suitability obligations.⁴⁹⁷ Another commenter states that the ETP structure has allowed investors easy, secure, and low-cost access to important markets, and that it would be a “win” for investors if this protection and the related opportunity was extended to bitcoin.⁴⁹⁸ In addition, one commenter states that the proposed Shares would provide certain investors with the opportunity to acquire investment exposure in bitcoin, without participating directly in the spot market and having to make arrangements to custody bitcoin.⁴⁹⁹

The Sponsor states that investors in the proposed ETP would need to consider and study the risk factors in the Trust’s Registration Statement, including the high historical volatility of bitcoin, uncertainty regarding its long-term prospects for adoption, new technological advances, and regulatory changes.⁵⁰⁰ The Sponsor asserts that the primary risks of the proposed ETP would be those inherent to the underlying asset’s returns, volatility, and functioning, rather than unique risks that pertain to custody, pricing, liquidity, arbitrage, or market manipulation.⁵⁰¹ The Sponsor also asserts that issues that might be relevant to investment advisors investing in digital-asset-related funds on behalf of retail investors are whether bitcoin can be valued as a non-cashflow-generating asset, its high volatility, concerns over custody and locating bitcoin, and the ability of advisors or investors to understand bitcoin.⁵⁰²

One commenter asserts that the proposed ETP is not motivated by a legitimate desire to protect consumers or drive regulation, and that the primary

intentions behind the proposal are to allow bitcoin to become part of the mainstream investor’s portfolio, increase the mass adoption of cryptocurrencies and thus drive up the price through mass speculation.⁵⁰³ This commenter also asserts that disreputable individuals are operating in the bitcoin market and it is important not to send the wrong signal by supporting an ETP without the proper legal and regulatory framework in place to protect the public.⁵⁰⁴ Another commenter states that the Sponsor’s presentation is “condescending” and assumes that the public needs protecting by an ETP, and that the public should keep control of its digital assets and accept the risks that come with self-ownership.⁵⁰⁵ A third commenter states that if the root causes of manipulation by the platforms are not identified and eliminated, an ETP based on bitcoin would not only fail to solve them, but would compound them before any meaningful and sustainable risk measures and fail-safes have been identified and implemented to guarantee investor protection.⁵⁰⁶

2. Analysis

As it has in disapproving previous proposals for bitcoin-related ETPs, the Commission acknowledges that, as compared to trading in unregulated bitcoin spot markets, trading a bitcoin-based ETP on a national securities exchange may provide some additional protection to investors, but the Commission must consider this potential benefit in the broader context of whether the proposal meets each of the applicable requirements of the Exchange Act.⁵⁰⁷ Pursuant to Section 19(b)(2) of the Exchange Act, the Commission must disapprove a proposed rule change filed by a national securities exchange if it does not find that the proposed rule change is consistent with the applicable requirements of the Exchange Act—including the requirement under Section 6(b)(5) that the rules of a national securities exchange be designed to prevent fraudulent and

manipulative acts and practices.⁵⁰⁸ Thus, even if a proposed rule change would provide certain benefits to investors and the markets, the proposed rule change may still fail to meet other requirements under the Exchange Act.

For the reasons discussed above, NYSE Arca has not met its burden of demonstrating that the proposal is consistent with Exchange Act Section 6(b)(5),⁵⁰⁹ and, accordingly, the Commission must disapprove the proposal.⁵¹⁰

D. Other Comments

Comment letters also addressed the general nature and uses of bitcoin;⁵¹¹ the state of development of bitcoin as a digital asset;⁵¹² the inherent value of, and risks of investing in, bitcoin;⁵¹³ the volatility of bitcoin prices;⁵¹⁴ the desire of investors to gain access to bitcoin

⁵⁰⁸ See 15 U.S.C. 78s(b)(2)(C). The Sponsor acknowledges that, “[n]otwithstanding all” the purported benefits that the “launch of a bitcoin ETP would provide” to the bitcoin market and investors, “it is critical and primary that any bitcoin ETP proposal meet each of the applicable requirements of the Exchange Act prior to approval.” Bitwise Submission III, *supra* note 9, at 167.

⁵⁰⁹ 15 U.S.C. 78f(b)(5).

⁵¹⁰ In disapproving the proposed rule change, as modified by Amendment No. 1, the Commission has considered its impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f); see also *supra* notes 491–498 and accompanying text. According to NYSE Arca, the proposal will facilitate the listing and trading of a new type of ETP based on the price of bitcoin, which will enhance competition among market participants, to the benefit of investors and the marketplace. See Notice and OIP, *supra* note 7, 84 FR at 23136. Additionally, the Sponsor asserts that the proposed ETP would incrementally improve the market by creating another regulated market for price discovery. See Bitwise Submission I, *supra* note 6, at 202. The Sponsor also asserts that the launch of a bitcoin ETP would be supportive of the United States’ digital asset market, which may have important economic advantages for the United States from a competitiveness standpoint. See Bitwise Submission III, *supra* note 9, at 167 (stating that bitcoin ETPs have been approved on the Nasdaq Nordic exchange in Sweden and the Six Swiss Exchange in Switzerland). The Commission recognizes that NYSE Arca and the Sponsor assert the economic benefits discussed above, but, for the reasons discussed throughout, the Commission is disapproving the proposed rule change because it does not find that the proposed rule change is consistent with the Exchange Act.

⁵¹¹ See Blockchain Capital Letter, *supra* note 9; Puddifoot Letter, *supra* note 6; Santos Letter, *supra* note 6.

⁵¹² See Blockchain Capital Letter, *supra* note 9; Page Letter, *supra* note 9; Puddifoot Letter, *supra* note 6; Santos Letter, *supra* note 6; Xia Letter, *supra* note 9.

⁵¹³ See Ahn Letter II, *supra* note 9; Ahn Letter III, *supra* note 9; Chris Letter, *supra* note 6; Mallya Letter, *supra* note 6; Neil Letter, *supra* note 6; Page Letter, *supra* note 9.

⁵¹⁴ See Bitwise Submission I, *supra* note 6, at 205; Bird Letter, *supra* note 9; Perrott Letter, *supra* note 6; Pinto Letter, *supra* note 6; Shenoy Letter III, *supra* note 69, at 6–7.

⁵⁰³ See Kumar Letter, *supra* note 6.

⁵⁰⁴ See *id.*

⁵⁰⁵ See Buckley Letter, *supra* note 6.

⁵⁰⁶ See Fitzgerald Letter I, *supra* note 6. See also Shenoy Letter III, *supra* note 69, at 11 (asserting that the proposed ETP would not reduce the opacity of the marketplace or provide meaningful price discovery because the underlying root-cause of issues such as regulation, manipulation, and transparency have not been addressed at a trading platform level).

⁵⁰⁷ See Winklevoss Order *supra* note 12, 83 FR at 37602; GraniteShares Order, *supra* note 12, 83 FR at 43931; ProShares Order, *supra* note 12, 83 FR at 43941; Direxion Order, *supra* note 12, 83 FR at 43919.

⁴⁹⁶ See *id.* (stating that bitcoin spot platforms may be pressured to improve their services to compete with the proposed ETP).

⁴⁹⁷ See *id.*

⁴⁹⁸ See Donostia Ventures Letter, *supra* note 9, at 5.

⁴⁹⁹ See Tagomi Letter, *supra* note 9, at 1.

⁵⁰⁰ See Bitwise Submission I, *supra* note 6, at 202.

⁵⁰¹ See *id.* at 203.

⁵⁰² See *id.* at 205.

through an ETP;⁵¹⁵ the legitimacy or enhanced regulatory protection that Commission approval of the proposed ETP might confer upon bitcoin as a digital asset;⁵¹⁶ the potential impact of Commission approval of the proposed ETP on the price of bitcoin and on the U.S. economy;⁵¹⁷ insurance and custody of fund holdings;⁵¹⁸ handling

⁵¹⁵ See Blockchain Association Letter, *supra* note 9; Collaborative Fund Letter, *supra* note 9; Mallon Letter, *supra* note 9; Omniex Letter, *supra* note 9; Puddifoot Letter, *supra* note 6; J. Ross Letter, *supra* note 9; Shenoy Letter II, *supra* note 9.

⁵¹⁶ See Anonymous Letter I, *supra* note 6; Anonymous Letter II, *supra* note 9; Barnwell Letter, *supra* note 6; Blockchain Association Letter, *supra* note 9; Castle Island Ventures Letter, *supra* note 9; Collaborative Fund Letter, *supra* note 9; J. Ross Letter, *supra* note 9; Santos Letter, *supra* note 6; Shenoy Letter II, *supra* note 9.

⁵¹⁷ See Bitwise Submission III, *supra* note 9, at 167; Mallon Letter, *supra* note 9; Neal Letter, *supra* note 9.

⁵¹⁸ See Bitwise Submission I, *supra* note 6, at 133–167, 205–210; Castle Island Ventures Letter,

of fund holdings after a hard fork or “airdrop” (*i.e.*, an unsolicited distribution of digital assets free of charge);⁵¹⁹ and the protection of individual freedom, privacy, and property rights.⁵²⁰ Ultimately, however, additional discussion of these topics is unnecessary, as they do not bear on the basis for the Commission’s decision to disapprove the proposal.

IV. Conclusion

For the reasons set forth above, the Commission does not find, pursuant to Section 19(b)(2) of the Exchange Act,

supra note 9; Coinbase Custody Letter, *supra* note 9; Monterio Letter, *supra* note 6; Santos Letter, *supra* note 6.

⁵¹⁹ See Bitwise Submission I, *supra* note 6, at 182–188, 213–215.

⁵²⁰ See Ahn Letter III, *supra* note 9; Blockchain Association Letter, *supra* note 9; Omniex Letter, *supra* note 9; Rob Letter, *supra* note 6; Santos Letter, *supra* note 6.

that the proposed rule change, as modified by Amendment No. 1, is consistent with the requirements of the Exchange Act and the rules and regulations thereunder applicable to a national securities exchange, and in particular, with Section 6(b)(5) of the Exchange Act.

It is therefore ordered, pursuant to Section 19(b)(2) of the Exchange Act, that proposed rule change SR–NYSEArca–2019–01, as modified by Amendment No. 1, is disapproved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁵²¹

Jill M. Peterson,

Assistant Secretary.

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⁵²¹ 17 CFR 200.30–3(a)(12).



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Part III

Postal Service

Change in Rates and Classes of General Applicability for Competitive Products; Notice

POSTAL SERVICE

Change in Rates and Classes of General Applicability for Competitive Products

AGENCY: Postal Service™.

ACTION: Notice of a change in rates of general applicability for competitive products.

SUMMARY: This notice sets forth changes in rates of general applicability for competitive products.

DATES: This action begins January 26, 2020.

FOR FURTHER INFORMATION CONTACT: Elizabeth Reed, 202–268–3179.

SUPPLEMENTARY INFORMATION: On October 3, 2019, pursuant to their authority under 39 U.S.C. 3632, the Governors of the Postal Service established prices and classification changes for competitive products. The Governors' Decision and the record of proceedings in connection with such decision are reprinted below in accordance with section 3632(b)(2).

Elizabeth Reed,

Attorney, Corporate and Postal Business Law.

Decision of the Governors of the United States Postal Service on Changes in Rates of General Applicability for Competitive Products (Governors' Decision No. 19–3)

October 3, 2019

Statement of Explanation and Justification

Pursuant to authority under section 3632 of title 39, as amended by the Postal Accountability and Enhancement Act of 2006 ("PAEA"), we establish new prices of general applicability for the Postal Service's shipping services (competitive products), and such changes in classifications as are necessary to define the new prices. The changes are described generally below, with a detailed description of the changes in the attachment. The attachment includes the draft Mail Classification Schedule sections with classification changes in legislative format, and new prices displayed in the price charts.

As shown in the nonpublic annex being filed under seal herewith, the changes we establish should enable each competitive product to cover its attributable costs (39 U.S.C. 3633(a)(2)) and should result in competitive products as a whole complying with 39 U.S.C. 3633(a)(3), which, as implemented by 39 CFR 3015.7(c), requires competitive products collectively to contribute a minimum of

8.8 percent to the Postal Service's institutional costs. Accordingly, no issue of subsidization of competitive products by market dominant products should arise (39 U.S.C. 3633(a)(1)). We therefore find that the new prices are in accordance with 39 U.S.C. 3632–3633 and 39 CFR 3015.2.

I. Domestic Products

A. Priority Mail Express

Overall, the Priority Mail Express price change represents a 3.5 percent increase. The existing structure of zoned Retail, Commercial Base, and Commercial Plus price categories is maintained, with Commercial Base and Commercial Plus prices continuing to be set equal to each other. Dimensional weighting, which was introduced for all zones in 2019, will continue in 2020. New for 2020, a \$0.20 Unmanifested eVS Fee will be introduced to discourage unmanifested commercial parcels from occurring, reduce occurrences of lower postage assessments, and offset additional reconciliation, manual processes, and operational costs.

Retail prices will increase an average of 3.8 percent. The price for the Retail Flat Rate Envelope, a significant portion of all Priority Mail Express volume, is increasing to \$26.35, with the Legal Size and Padded Flat Rate Envelopes priced at \$26.50 and \$26.95, respectively.

The Commercial Base price category offers lower prices to customers who use online and other authorized postage payment methods. The Commercial Base prices will increase 2.2 percent on average. Commercial Base prices will, on average, reflect a 13.8 percent discount off of Retail prices.

The Commercial Plus price category has traditionally offered even lower prices to large-volume customers. Commercial Plus prices were matched to the Commercial Base prices in 2016 and will continue to be in 2020. For January, Commercial Plus prices as a whole will receive a 2.2 percent increase on average.

B. Priority Mail

On average, the Priority Mail prices will be increased by 4.1 percent. The existing structure of Priority Mail Retail, Commercial Base, and Commercial Plus price categories is maintained. Dimensional weighting, which was extended to all zones in 2019, will continue in 2020. New for 2020, a \$0.20 Unmanifested eVS Fee will be introduced to discourage unmanifested commercial parcels from occurring, reduce occurrences of lower postage assessments, and offset additional

reconciliation, manual processes, and operational costs.

Retail prices will increase an average of 4.9 percent. Retail Flat Rate Box prices will be: Small, \$8.30; Medium, \$15.05; Large, \$21.10 and Large APO/FPO/DPO, \$19.60. Thus, the Large APO/FPO/DPO Flat Rate Box will be \$1.50 less than the Large Flat Rate Box. The regular Flat Rate Envelope will be priced at \$7.75, with the Legal Size and Padded Flat Rate Envelopes priced at \$8.05 and \$8.40, respectively.

The Commercial Base price category offers lower prices to customers using authorized postage payment methods. The Commercial Base prices will increase 2.8 percent on average. Commercial Base prices will, on average, reflect a 15.3 percent discount off of Retail prices.

The Commercial Plus price category has traditionally offered even lower prices to large-volume customers. For January, Commercial Plus prices as a whole will receive a 3.0 percent increase and will average 15.2 percent off Retail prices.

C. Parcel Select

On average, prices for destination-entered non-Lightweight Parcel Select, the Postal Service's bulk ground shipping product, will increase 2.5 percent. For destination delivery unit (DDU) entered parcels, the average price increase is 2.0 percent. For destination sectional center facility (DSCF) destination entered parcels, the average price increase is 1.8 percent. For destination network distribution center (DNDC) parcels, the average price increase is 2.8 percent. Prices for Parcel Select Lightweight will increase by 4.2 percent. Parcel Select Ground will see a 3.9 percent price increase. Dimensional weighting, which was introduced for all zones in 2019, will continue in 2020. New for 2020, a \$0.20 Unmanifested eVS Fee will be introduced to discourage unmanifested commercial parcels from occurring, reduce occurrences of lower postage assessments, and offset additional reconciliation, manual processes, and operational costs.

D. Parcel Return Service

Parcel Return Service prices will have an overall price increase of 4.9 percent. Prices for parcels retrieved at a return sectional center facility (RSCF) will increase by 4.9 percent, and prices for parcels picked up at a return delivery unit (RDU) will increase 4.9 percent.

E. First-Class Package Service

First-Class Package Service (FCPS) continues to be positioned as a

lightweight (less than one pound) offering primarily used by businesses for fulfillment purposes. In 2017, First-Class Mail Parcels were transferred to the competitive product list and renamed First-Class Package Service—Retail (FCPS-Retail), and in 2019, the FCPS-Retail and FCPS-Commercial price categories were given zone-based pricing. Overall, FCPS prices will increase 2.6 percent, with a 3.9 percent increase for FCPS-Retail and a 2.2 percent increase for FCPS-Commercial. New for 2020, a \$0.20 Unmanifested eVS Fee will be introduced to discourage unmanifested commercial parcels from occurring, reduce occurrences of lower postage assessments, and offset additional reconciliation, manual processes, and operational costs.

F. USPS Retail Ground

USPS Retail Ground prices will increase 3.9 percent. Customers shipping in Zones 1–4 will continue to receive Priority Mail service and will only default to Retail Ground if the item contains hazardous material or is otherwise not permitted to travel by air transportation. New for 2020, USPS Retail Ground's dimensional weighting will be extended from Zones 1–4 to Zones 1–8 to align with Priority Mail, but will not apply to the Limited Overland Routes price category.

G. Domestic Extra Services

Premium Forwarding Service (PFS) prices will increase between 0.9 and 5.3 percent in 2020, depending on the specific rate element. The retail counter enrollment fee will increase to \$21.90. The online enrollment option, introduced in 2014, will now be available for \$20.10. The weekly reshipment fee will increase to \$21.90. PFS Local, which was introduced in 2019 for P.O. Box customers, will have an increase in the reshipment fee to \$21.90. Prices for Adult Signature service will increase to \$6.65 for the basic service and \$6.90 for the person-specific service. Address Enhancement Service prices will be increasing between 0.4 and 3.8 percent depending on the particular rate element, to ensure adequate cost coverage. Competitive Post Office Box prices will be increasing 10.4 percent on average, which is within the existing price ranges. Package Intercept Service will increase 3.9 percent, to \$14.65. The Pickup On Demand fee will increase to \$24.00 for 2020. New for 2020, Premium Data Retention and Retrieval Service will be

introduced under the Competitive Ancillary Services product, which will allow customers to request that the Postal Service retain tracking information longer than the default period.

II. International Products

A. Expedited Services

International expedited services include Global Express Guaranteed (GXG) and Priority Mail Express International (PMEI). Overall, GXG prices will remain unchanged for 2020, and PMEI will be subject to an overall 2.0 percent increase. Commercial Plus prices will be equivalent to Commercial Base; however, deeper discounting may still be made available to customers through negotiated service agreements.

B. Priority Mail International

The overall increase for Priority Mail International (PMI) will be 6.0 percent. Commercial Plus prices will be equivalent to Commercial Base; however, deeper discounting may still be made available to customers through negotiated service agreements.

C. International Priority Airmail and International Surface Air Lift

Published prices for International Priority Airmail (IPA) and International Surface Air Lift (ISAL), as well as their associated M-Bags, will increase by 5.9 percent.

D. Airmail M-Bags

The published prices for Airmail M-Bags will increase by 6.0 percent.

E. First-Class Package International Service™

The overall increase for First-Class Package International Service (FCPIS) prices will be 9.9 percent. Commercial Plus prices will be equivalent to Commercial Base; however, deeper discounting will still be made available to customers through negotiated service agreements.

F. International Ancillary Services and Special Services

Prices for several international ancillary services will be increased, with an overall increase of 2.7 percent. However, some services will be increased above average to ensure cost coverage, including International Postal Money Orders and Money Transfer Service, which will increase by 7.3 percent, and PMEI Insurance and PMI Insurance, which will increase by 5.2 and 4.9 percent, respectively.

Order

The changes in prices and classes set forth herein shall be effective at 12:01 a.m. on January 26, 2020. We direct the Secretary to have this decision published in the **Federal Register** in accordance with 39 U.S.C. 3632(b)(2), and direct management to file with the Postal Regulatory Commission appropriate notice of these changes.

By The Governors:

/s/ _____

Robert M. Duncan,

Chairman, Board of Governors.

United States Postal Service Office of the Board of Governors

Certification of Governors' Vote on Governors' Decision No. 19–3

Consistent with 39 U.S.C. 3632(a), I hereby certify that, on October 3, 2019, the Governors voted on adopting Governors' Decision No. 19–3, and that a majority of the Governors then holding office voted in favor of that Decision.

/s/ _____

Date: October 7, 2019

Michael J. Elston,

Secretary of the Board of Governors (A).

Part B

Competitive Products

2000 Competitive Product List

2100 Domestic Products

* * *
* * *

2105 Priority Mail Express

* * *

2105.5 Optional Features

The following additional postal services may be available in conjunction with the product specified in this section:

- Pickup On Demand Service
- Sunday/Holiday Delivery
- 10:30 a.m. Delivery
- Ancillary Services (1505)
 - Address Correction Service (1505.1)
 - Collect On Delivery (1505.7)
 - Priority Mail Express Insurance (1505.9)
 - Return Receipt (1505.13)
 - Special Handling (1505.18)
- Competitive Ancillary Services (2545)
 - Adult Signature (2545.1)
 - Package Intercept Service (2545.2)
 - Premium Data Retention and Retrieval Service (2545.3)

2105.6 Prices

RETAIL PRIORITY MAIL EXPRESS ZONE/WEIGHT

Maximum weight (pounds)	Local, zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
0.5	26.35	26.60	27.50	30.70	32.75	34.80	37.15	50.60
1	26.75	28.85	31.50	36.70	39.50	41.75	44.00	59.90
2	27.15	31.15	35.55	42.75	46.20	48.70	50.85	69.25
3	27.55	33.40	39.55	48.75	52.95	55.60	57.65	78.55
4	27.95	35.70	43.60	54.80	59.65	62.55	64.50	87.90
5	28.35	37.95	47.60	60.80	66.40	69.50	71.35	97.20
6	31.20	41.65	52.80	66.80	72.55	76.10	78.10	106.40
7	34.10	45.35	58.05	72.80	78.70	82.75	84.90	115.65
8	36.95	49.10	63.25	78.75	84.80	89.35	91.65	124.85
9	39.85	52.80	68.50	84.75	90.95	96.00	98.45	134.10
10	42.70	56.50	73.70	90.75	97.10	102.60	105.20	143.30
11	44.75	60.70	77.85	94.80	100.95	106.60	109.40	149.05
12	46.80	64.90	82.00	98.85	104.80	110.65	113.60	154.75
13	48.90	69.15	86.15	102.90	108.65	114.65	117.80	160.45
14	50.95	73.35	90.30	106.95	112.50	118.70	122.00	166.20
15	53.00	77.55	94.45	111.05	116.35	122.70	126.20	171.90
16	55.05	81.75	98.60	115.10	120.15	126.70	130.45	177.65
17	57.10	85.95	102.75	119.15	124.00	130.75	134.65	183.35
18	59.20	90.20	106.90	123.20	127.85	134.75	138.85	189.10
19	61.25	94.40	111.05	127.25	131.70	138.80	143.05	194.80
20	63.30	98.60	115.20	131.30	135.55	142.80	147.25	200.55
21	65.60	103.15	119.70	136.30	140.65	148.05	152.75	208.05
22	67.95	107.65	124.15	141.30	145.70	153.35	158.20	215.50
23	70.25	112.20	128.65	146.35	150.80	158.60	163.70	223.00
24	72.55	116.70	133.10	151.35	155.85	163.90	169.20	230.45
25	74.85	121.25	137.60	156.35	160.95	169.15	174.70	237.95
26	77.20	125.80	142.05	161.35	166.05	174.45	180.15	245.40
27	79.50	130.30	146.55	166.35	171.10	179.70	185.65	252.90
28	81.80	134.85	151.00	171.40	176.20	185.00	191.15	260.35
29	84.10	139.35	155.50	176.40	181.25	190.25	196.65	267.85
30	86.45	143.90	159.95	181.40	186.35	195.55	202.10	275.30
31	88.75	148.45	164.45	186.40	191.45	200.80	207.60	282.80
32	91.05	152.95	168.90	191.40	196.50	206.10	213.10	290.25
33	93.35	157.50	173.40	196.45	201.60	211.35	218.60	297.75
34	95.70	162.00	177.85	201.45	206.65	216.65	224.05	305.20
35	98.00	166.55	182.35	206.45	211.75	221.90	229.55	312.70
36	100.55	171.00	187.20	212.00	217.55	227.95	235.70	321.20
37	102.75	175.20	192.05	217.35	223.35	233.90	241.95	329.45
38	105.15	179.70	196.90	222.85	228.90	239.65	247.90	337.75
39	107.75	184.05	201.85	228.20	234.20	245.15	254.05	346.10
40	110.05	188.20	206.75	233.70	239.95	251.00	260.30	354.55
41	112.20	192.65	211.55	239.00	245.75	257.10	266.35	362.70
42	114.20	197.05	216.45	244.30	251.55	263.00	272.40	371.05
43	116.85	201.35	221.15	249.65	257.10	268.70	278.55	379.45
44	119.00	205.75	226.10	255.10	262.65	274.45	284.65	387.65
45	121.30	210.10	230.80	260.30	268.25	280.25	290.90	396.20
46	123.60	214.30	235.95	265.85	273.85	285.95	296.90	404.40
47	126.25	218.65	240.70	271.15	279.55	291.80	303.05	412.70
48	128.35	223.20	245.45	276.35	285.15	297.55	309.15	421.10
49	130.70	227.35	250.40	281.70	291.00	303.50	315.25	429.50
50	133.45	231.85	255.25	287.20	296.40	309.10	321.35	437.75
51	135.80	236.25	260.10	292.45	301.95	314.80	326.65	444.95
52	138.10	240.30	264.85	297.70	307.80	320.75	333.80	454.55
53	140.40	244.85	269.80	303.05	313.45	326.50	339.85	462.90
54	142.90	249.20	274.60	308.20	319.15	332.35	345.90	471.15
55	145.75	254.95	279.60	313.70	324.65	338.00	352.00	479.45
56	148.75	259.40	284.30	318.90	330.20	343.80	358.10	487.85
57	151.35	263.75	289.15	324.25	335.80	349.45	364.20	496.05
58	153.90	267.95	294.00	329.45	341.50	355.25	370.30	504.35
59	156.05	272.30	298.75	334.70	347.30	361.05	376.45	512.70
60	158.15	276.70	303.65	340.00	352.90	366.80	382.55	521.05
61	160.40	281.05	308.80	345.60	358.50	372.45	388.65	529.35
62	162.90	285.35	313.50	350.60	364.05	378.20	394.90	537.85
63	165.55	289.65	318.35	355.95	369.80	384.05	401.00	546.20
64	167.85	293.95	323.15	361.05	375.50	389.85	407.10	554.65
65	170.70	298.30	328.00	366.30	381.10	395.30	413.20	562.80
66	173.90	302.80	333.00	371.70	386.80	401.05	419.30	570.95
67	175.90	307.05	337.90	377.00	392.15	406.65	425.40	579.45
68	178.20	311.35	342.70	382.10	398.05	412.60	431.70	588.00
69	181.00	315.75	347.45	387.35	403.55	418.15	437.55	595.95

RETAIL PRIORITY MAIL EXPRESS ZONE/WEIGHT—Continued

Maximum weight (pounds)	Local, zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
70	184.30	320.15	352.40	392.65	409.20	423.85	443.70	604.40

RETAIL FLAT RATE ENVELOPE

	(\$)
Retail Regular Flat Rate Envelope, per piece	26.35
Retail Legal Flat Rate Envelope, per piece	26.50
Retail Padded Flat Rate Envelope, per piece	26.95

Retail Dimensional Weight

In Zones 1–9 (including local), parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is

calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is

calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

COMMERCIAL BASE ZONE/WEIGHT

Maximum weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
0.5	22.75	23.30	24.05	26.35	28.25	30.05	32.45	43.95
1	23.00	25.20	27.45	31.20	33.65	35.65	38.05	51.50
2	23.25	27.05	30.90	36.00	39.05	41.20	43.60	59.05
3	23.50	28.95	34.30	40.85	44.40	46.80	49.20	66.55
4	23.75	30.80	37.75	45.65	49.80	52.35	54.75	74.10
5	24.00	32.70	41.15	50.50	55.20	57.95	60.35	81.65
6	26.45	35.95	45.70	55.55	60.40	63.55	66.15	89.50
7	28.90	39.20	50.30	60.60	65.60	69.15	71.95	97.35
8	31.40	42.50	54.85	65.60	70.75	74.75	77.75	105.20
9	33.85	45.75	59.45	70.65	75.95	80.35	83.55	113.05
10	36.30	49.00	64.00	75.70	81.15	85.95	89.35	120.90
11	38.20	52.90	67.90	79.60	84.90	89.90	93.55	126.55
12	40.10	56.80	71.75	83.55	88.70	93.85	97.70	132.20
13	42.05	60.70	75.65	87.45	92.45	97.80	101.90	137.90
14	43.95	64.60	79.55	91.40	96.20	101.75	106.05	143.55
15	45.85	68.50	83.45	95.30	100.00	105.65	110.20	149.20
16	47.75	72.35	87.30	99.20	103.75	109.60	114.40	154.85
17	49.65	76.25	91.20	103.15	107.50	113.55	118.55	160.50
18	51.60	80.15	95.10	107.05	111.25	117.50	122.75	166.20
19	53.50	84.05	98.95	111.00	115.05	121.45	126.90	171.85
20	55.40	87.95	102.85	114.90	118.80	125.40	131.10	177.50
21	57.35	91.90	106.75	119.15	123.15	129.90	135.85	183.95
22	59.35	95.85	110.65	123.45	127.50	134.45	140.60	190.40
23	61.30	99.80	114.50	127.70	131.80	138.95	145.40	196.85
24	63.30	103.75	118.40	132.00	136.15	143.45	150.15	203.25
25	65.25	107.70	122.30	136.25	140.50	147.95	154.90	209.70
26	67.20	111.65	126.20	140.50	144.85	152.50	159.65	216.15
27	69.20	115.60	130.10	144.80	149.20	157.00	164.40	222.60
28	71.15	119.55	133.95	149.05	153.50	161.50	169.20	229.05
29	73.15	123.50	137.85	153.35	157.85	166.00	173.95	235.50
30	75.10	127.45	141.75	157.60	162.20	170.55	178.70	241.95
31	77.05	131.40	145.65	161.85	166.55	175.05	183.45	248.40
32	79.05	135.35	149.55	166.15	170.90	179.55	188.20	254.80
33	81.00	139.30	153.40	170.40	175.20	184.05	193.00	261.25
34	83.00	143.25	157.30	174.70	179.55	188.60	197.75	267.70
35	84.95	147.20	161.20	178.95	183.90	193.10	202.50	274.15
36	87.15	151.10	165.60	183.75	188.95	198.30	207.90	281.50
37	89.00	154.85	169.85	188.35	193.95	203.50	213.35	288.85
38	91.10	158.75	174.15	193.10	198.75	208.50	218.65	296.05
39	93.35	162.65	178.55	197.75	203.40	213.30	224.10	303.45
40	95.35	166.30	182.90	202.55	208.35	218.45	229.55	310.80
41	97.25	170.25	187.15	207.10	213.40	223.65	234.90	318.00
42	98.95	174.15	191.40	211.75	218.40	228.80	240.20	325.25

COMMERCIAL BASE ZONE/WEIGHT—Continued

Maximum weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
43	101.25	177.90	195.65	216.35	223.25	233.80	245.70	332.60
44	103.05	181.80	200.00	221.05	228.05	238.75	251.00	339.85
45	105.05	185.65	204.15	225.55	232.95	243.85	256.50	347.30
46	107.10	189.40	208.70	230.40	237.80	248.80	261.85	354.55
47	109.35	193.25	212.90	235.00	242.70	253.85	267.25	361.85
48	111.25	197.20	217.10	239.45	247.60	258.90	272.65	369.15
49	113.20	200.90	221.45	244.15	252.65	264.10	278.10	376.55
50	115.65	204.85	225.80	248.90	257.40	268.90	283.45	383.75
51	117.65	208.75	230.05	253.45	262.20	273.90	288.10	390.05
52	119.70	212.40	234.25	258.00	267.30	279.05	294.30	398.50
53	121.60	216.35	238.65	262.65	272.20	284.10	299.70	405.75
54	123.80	220.25	242.85	267.15	277.05	289.15	305.05	413.05
55	126.25	225.30	247.30	271.90	281.90	294.05	310.40	420.30
56	128.90	229.20	251.50	276.40	286.75	299.05	315.85	427.65
57	131.10	233.05	255.80	281.00	291.60	304.05	321.20	434.85
58	133.35	236.75	260.05	285.50	296.60	309.10	326.60	442.15
59	135.20	240.60	264.30	290.10	301.60	314.15	331.95	449.45
60	137.00	244.45	268.65	294.65	306.45	319.10	337.35	456.75
61	138.95	248.40	273.15	299.45	311.35	324.10	342.75	464.05
62	141.10	252.10	277.30	303.85	316.15	328.95	348.25	471.50
63	143.45	255.95	281.60	308.45	321.10	334.10	353.70	478.85
64	145.35	259.75	285.80	312.90	326.05	339.10	359.10	486.15
65	147.85	263.60	290.10	317.45	330.90	343.95	364.40	493.35
66	150.60	267.55	294.50	322.15	335.80	349.00	369.75	500.55
67	152.35	271.30	298.85	326.75	340.55	353.80	375.20	507.95
68	154.35	275.15	303.10	331.15	345.65	359.00	380.70	515.45
69	156.80	279.05	307.35	335.70	350.40	363.85	385.85	522.45
70	159.65	282.90	311.70	340.25	355.35	368.80	391.30	529.80

COMMERCIAL BASE FLAT RATE ENVELOPE

	(\$)
Commercial Base Regular Flat Rate Envelope, per piece	22.75
Commercial Base Legal Flat Rate Envelope, per piece	22.95
Commercial Base Padded Flat Rate Envelope, per piece	23.25

Commercial Base Dimensional Weight

In Zones 1–9 (including local), parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is

calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is

calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

COMMERCIAL PLUS ZONE/WEIGHT

Maximum weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
0.5	22.75	23.30	24.05	26.35	28.25	30.05	32.45	43.95
1	23.00	25.20	27.45	31.20	33.65	35.65	38.05	51.50
2	23.25	27.05	30.90	36.00	39.05	41.20	43.60	59.05
3	23.50	28.95	34.30	40.85	44.40	46.80	49.20	66.55
4	23.75	30.80	37.75	45.65	49.80	52.35	54.75	74.10
5	24.00	32.70	41.15	50.50	55.20	57.95	60.35	81.65
6	26.45	35.95	45.70	55.55	60.40	63.55	66.15	89.50
7	28.90	39.20	50.30	60.60	65.60	69.15	71.95	97.35
8	31.40	42.50	54.85	65.60	70.75	74.75	77.75	105.20
9	33.85	45.75	59.45	70.65	75.95	80.35	83.55	113.05
10	36.30	49.00	64.00	75.70	81.15	85.95	89.35	120.90
11	38.20	52.90	67.90	79.60	84.90	89.90	93.55	126.55
12	40.10	56.80	71.75	83.55	88.70	93.85	97.70	132.20
13	42.05	60.70	75.65	87.45	92.45	97.80	101.90	137.90
14	43.95	64.60	79.55	91.40	96.20	101.75	106.05	143.55

COMMERCIAL PLUS ZONE/WEIGHT—Continued

Maximum weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
15	45.85	68.50	83.45	95.30	100.00	105.65	110.20	149.20
16	47.75	72.35	87.30	99.20	103.75	109.60	114.40	154.85
17	49.65	76.25	91.20	103.15	107.50	113.55	118.55	160.50
18	51.60	80.15	95.10	107.05	111.25	117.50	122.75	166.20
19	53.50	84.05	98.95	111.00	115.05	121.45	126.90	171.85
20	55.40	87.95	102.85	114.90	118.80	125.40	131.10	177.50
21	57.35	91.90	106.75	119.15	123.15	129.90	135.85	183.95
22	59.35	95.85	110.65	123.45	127.50	134.45	140.60	190.40
23	61.30	99.80	114.50	127.70	131.80	138.95	145.40	196.85
24	63.30	103.75	118.40	132.00	136.15	143.45	150.15	203.25
25	65.25	107.70	122.30	136.25	140.50	147.95	154.90	209.70
26	67.20	111.65	126.20	140.50	144.85	152.50	159.65	216.15
27	69.20	115.60	130.10	144.80	149.20	157.00	164.40	222.60
28	71.15	119.55	133.95	149.05	153.50	161.50	169.20	229.05
29	73.15	123.50	137.85	153.35	157.85	166.00	173.95	235.50
30	75.10	127.45	141.75	157.60	162.20	170.55	178.70	241.95
31	77.05	131.40	145.65	161.85	166.55	175.05	183.45	248.40
32	79.05	135.35	149.55	166.15	170.90	179.55	188.20	254.80
33	81.00	139.30	153.40	170.40	175.20	184.05	193.00	261.25
34	83.00	143.25	157.30	174.70	179.55	188.60	197.75	267.70
35	84.95	147.20	161.20	178.95	183.90	193.10	202.50	274.15
36	87.15	151.10	165.60	183.75	188.95	198.30	207.90	281.50
37	89.00	154.85	169.85	188.35	193.95	203.50	213.35	288.85
38	91.10	158.75	174.15	193.10	198.75	208.50	218.65	296.05
39	93.35	162.65	178.55	197.75	203.40	213.30	224.10	303.45
40	95.35	166.30	182.90	202.55	208.35	218.45	229.55	310.80
41	97.25	170.25	187.15	207.10	213.40	223.65	234.90	318.00
42	98.95	174.15	191.40	211.75	218.40	228.80	240.20	325.25
43	101.25	177.90	195.65	216.35	223.25	233.80	245.70	332.60
44	103.05	181.80	200.00	221.05	228.05	238.75	251.00	339.85
45	105.05	185.65	204.15	225.55	232.95	243.85	256.50	347.30
46	107.10	189.40	208.70	230.40	237.80	248.80	261.85	354.55
47	109.35	193.25	212.90	235.00	242.70	253.85	267.25	361.85
48	111.25	197.20	217.10	239.45	247.60	258.90	272.65	369.15
49	113.20	200.90	221.45	244.15	252.65	264.10	278.10	376.55
50	115.65	204.85	225.80	248.90	257.40	268.90	283.45	383.75
51	117.65	208.75	230.05	253.45	262.20	273.90	288.10	390.05
52	119.70	212.40	234.25	258.00	267.30	279.05	294.30	398.50
53	121.60	216.35	238.65	262.65	272.20	284.10	299.70	405.75
54	123.80	220.25	242.85	267.15	277.05	289.15	305.05	413.05
55	126.25	225.30	247.30	271.90	281.90	294.05	310.40	420.30
56	128.90	229.20	251.50	276.40	286.75	299.05	315.85	427.65
57	131.10	233.05	255.80	281.00	291.60	304.05	321.20	434.85
58	133.35	236.75	260.05	285.50	296.60	309.10	326.60	442.15
59	135.20	240.60	264.30	290.10	301.60	314.15	331.95	449.45
60	137.00	244.45	268.65	294.65	306.45	319.10	337.35	456.75
61	138.95	248.40	273.15	299.45	311.35	324.10	342.75	464.05
62	141.10	252.10	277.30	303.85	316.15	328.95	348.25	471.50
63	143.45	255.95	281.60	308.45	321.10	334.10	353.70	478.85
64	145.35	259.75	285.80	312.90	326.05	339.10	359.10	486.15
65	147.85	263.60	290.10	317.45	330.90	343.95	364.40	493.35
66	150.60	267.55	294.50	322.15	335.80	349.00	369.75	500.55
67	152.35	271.30	298.85	326.75	340.55	353.80	375.20	507.95
68	154.35	275.15	303.10	331.15	345.65	359.00	380.70	515.45
69	156.80	279.05	307.35	335.70	350.40	363.85	385.85	522.45
70	159.65	282.90	311.70	340.25	355.35	368.80	391.30	529.80

COMMERCIAL PLUS FLAT RATE ENVELOPE

	(\$)
Commercial Plus Regular Flat Rate Envelope, per piece	22.75
Commercial Plus Legal Flat Rate Envelope, per piece	22.95
Commercial Plus Padded Flat Rate Envelope, per piece	23.25

Commercial Plus Dimensional Weight

In Zones 1-9 (including local), parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

Pickup On Demand Service

Add ~~\$23.00~~\$24.00 for each Pickup On Demand stop.

Sunday/Holiday Delivery

Add \$12.50 for requesting Sunday or holiday delivery.

10:30 am Delivery

Add \$5.00 for requesting delivery by 10:30 am.

IMpb Noncompliance Fee

Add \$0.20 for each IMpb-noncompliant parcel paying commercial prices, unless the eVS Unmanifested Fee was already assessed on that parcel.

eVS Unmanifested Fee

Add \$0.20 for each unmanifested parcel paying commercial prices, unless the IMpb Noncompliance Fee was already assessed on that parcel.

2110 Priority Mail

2110.1 Description

- a. Priority Mail service provides expeditious handling and transportation.
- b. Any matter eligible for mailing may, at the option of the mailer, be mailed by Priority Mail service for expeditious handling and transportation.
- c. Priority Mail pieces are sealed against postal inspection and shall not be opened except as authorized by law.
- d. Priority Mail pieces that are undeliverable-as-addressed are entitled to be forwarded or returned to the sender without additional charge.
- e. Up to \$50.00 of General Insurance coverage is included at no additional cost in the price of Priority Mail pieces that bear an Intelligent Mail package barcode or retail tracking barcode. This does not apply to Priority Mail pieces sent using ~~Merchandise Return Service~~non-prepaid returns, Priority Mail Open and Distribute, or Premium Forwarding Service.
- f. Up to \$100.00 of General Insurance coverage is included at no additional cost in the price of Priority Mail pieces that bear an Intelligent Mail package barcode and for which the mailer pays Commercial Plus prices or uses ePostage, Electronic Verification System, Hardcopy Manifest, or an approved Manifest Mailing System. This does not apply to Priority Mail pieces sent using ~~Merchandise Return Service~~non-prepaid returns, Priority Mail Open and Distribute, or Premium Forwarding Service.
- g. Return parcels may be sent without prepayment of postage if authorized by the returns customer, who agrees to pay the postage.

* * *

2110.5 Optional Features

The following additional postal services may be available in conjunction with the product specified in this section:

- Pickup On Demand Service
- Ancillary Services (1505)
 - Address Correction Service (1505.1)
 - Business Reply Mail (1505.3)
 - Certified Mail (1505.5)
 - Certificate of Mailing (1505.6)
 - Collect On Delivery (1505.7)
 - USPS Tracking (1505.8)
 - Insurance (1505.9)
 - ~~Merchandise Return (1505.10)~~
 - Registered Mail (1505.12)
 - Return Receipt (1505.13)
 - Return Receipt for Merchandise (1505.14)
 - Signature Confirmation (1505.17)
 - Special Handling (1505.18)
- Competitive Ancillary Services (2545)
 - Adult Signature (2545.1)
 - Package Intercept Service (2545.2)
 - Premium Data Retention and Retrieval Service (2545.3)

BILLING CODE 7710-12-C

2110.6 Prices

2110.6 Prices

RETAIL PRIORITY MAIL ZONE/WEIGHT

Maximum weight (pounds)	Local, Zones 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
1	7.50	7.85	8.00	8.25	8.45	8.85	9.60	14.05
2	8.25	8.70	9.90	10.90	11.75	13.65	14.90	22.30
3	8.70	9.70	10.90	12.55	13.25	16.90	20.00	29.85
4	9.20	10.55	11.55	13.95	17.25	20.80	23.15	34.55
5	10.20	11.30	12.25	14.40	19.65	23.85	26.70	40.00
6	10.95	11.55	12.80	15.70	21.85	25.90	29.20	45.15
7	11.95	13.10	15.40	18.95	24.20	28.95	32.85	50.75
8	12.30	14.50	17.10	22.55	27.45	32.15	36.75	56.80
9	12.80	15.65	18.95	25.75	29.85	34.70	40.90	63.20
10	13.60	16.80	20.40	27.90	32.30	38.15	44.55	68.90
11	14.95	18.50	22.50	29.95	36.30	44.15	51.25	76.25
12	16.25	19.85	24.20	33.20	39.50	47.75	54.50	81.80
13	17.25	20.95	25.55	35.10	42.40	49.65	57.00	84.75
14	18.30	22.35	27.20	37.35	44.75	52.45	59.95	89.00
15	18.95	23.60	28.75	39.50	46.70	53.65	61.50	91.55
16	19.60	24.90	30.30	41.70	49.30	56.60	64.90	96.55
17	20.50	26.20	31.90	43.85	51.80	59.60	68.30	101.65
18	20.85	27.10	33.20	46.00	54.55	62.50	71.85	106.85
19	21.45	27.75	33.95	47.30	55.60	63.85	73.30	111.90
20	22.35	28.10	34.50	47.95	56.95	66.10	76.75	117.05
21	23.10	28.45	35.00	48.80	57.90	67.20	78.50	120.70
22	23.65	29.10	35.85	49.95	59.20	68.85	80.35	123.70
23	24.20	29.70	36.45	50.75	60.30	70.20	81.80	125.80
24	24.75	30.30	37.30	51.90	61.55	71.95	83.80	128.95
25	25.00	30.80	38.80	54.25	62.30	73.75	85.20	131.05
26	26.00	31.40	40.25	55.35	63.85	75.55	87.90	135.25
27	26.80	31.85	41.45	56.45	64.80	77.35	91.20	140.30
28	27.60	32.25	42.70	57.85	65.60	79.10	94.60	145.60
29	28.45	32.65	43.75	58.70	66.75	80.90	97.20	149.50
30	29.30	33.05	44.80	59.50	68.60	82.80	99.30	152.80

RETAIL PRIORITY MAIL ZONE/WEIGHT—Continued

Maximum weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
31	30.15	33.40	45.55	60.30	69.65	84.55	101.25	157.10
32	30.50	34.15	46.30	60.95	70.50	86.35	103.35	160.30
33	31.05	35.05	47.45	61.75	71.90	88.15	105.25	163.35
34	31.30	36.00	48.65	63.10	73.55	90.00	107.25	166.35
35	31.60	36.85	49.25	64.45	75.50	91.75	109.00	169.15
36	31.95	37.90	49.95	65.80	77.50	93.00	110.95	172.05
37	32.25	38.55	50.65	67.00	79.50	94.20	112.75	174.90
38	32.65	39.55	51.30	68.30	81.70	95.35	114.55	177.75
39	32.95	40.45	51.95	69.75	83.65	97.80	116.25	180.40
40	33.35	41.30	52.65	71.25	85.00	100.00	117.90	182.90
41	33.65	42.10	53.25	71.90	86.35	102.15	119.65	187.00
42	33.90	42.85	53.80	73.45	87.90	103.45	121.20	189.60
43	34.35	43.55	54.30	75.10	90.05	104.80	122.75	191.95
44	34.55	44.25	55.00	76.60	91.45	106.00	124.20	194.30
45	34.80	44.75	55.35	78.40	92.45	107.20	125.80	196.70
46	35.05	45.05	55.95	79.80	93.45	108.35	127.25	199.10
47	35.35	45.50	56.50	81.60	94.50	109.55	128.70	201.20
48	35.70	45.85	57.05	83.20	95.75	110.60	130.10	203.40
49	35.90	46.15	57.45	84.75	97.00	111.75	131.40	205.45
50	36.05	46.45	57.90	86.40	98.30	113.20	132.70	207.60
51	36.20	46.90	58.40	87.85	99.65	114.85	133.95	211.15
52	36.65	47.20	58.80	88.55	100.70	116.55	135.50	213.75
53	37.30	47.50	59.15	89.25	101.55	118.40	137.30	216.50
54	37.75	47.70	59.60	90.00	102.30	120.20	139.25	219.50
55	38.40	48.05	59.90	90.65	103.05	122.05	141.10	222.45
56	38.95	48.35	60.25	91.25	103.80	123.80	142.40	224.50
57	39.50	48.50	60.60	91.75	104.55	125.70	143.45	226.15
58	40.15	48.75	61.00	92.40	105.15	127.40	144.55	227.80
59	40.75	48.95	61.30	92.95	105.75	128.15	145.70	229.65
60	41.30	49.15	61.90	93.40	106.30	128.90	146.60	231.15
61	41.90	49.40	63.00	93.90	106.90	129.65	148.60	234.35
62	42.35	49.50	63.75	94.40	107.45	130.25	151.05	238.05
63	43.15	49.75	64.85	94.80	108.00	130.85	153.45	241.90
64	43.60	51.30	65.80	95.25	108.45	131.50	155.70	245.55
65	44.20	51.45	66.65	95.60	108.85	132.10	158.25	249.45
66	44.75	51.65	67.75	96.05	109.35	132.55	160.45	253.00
67	45.50	51.75	68.90	96.35	109.65	133.10	162.60	256.30
68	46.00	51.85	69.75	96.60	111.05	133.60	164.35	259.10
69	46.60	51.90	70.60	96.85	112.40	133.95	166.10	261.80
70	47.15	52.05	71.75	97.20	113.80	134.40	167.90	264.60

RETAIL FLAT RATE ENVELOPES ¹

	(\$)
Retail Regular Flat Rate Envelope, per piece	7.75
Retail Legal Flat Rate Envelope, per piece	8.05
Retail Padded Flat Rate Envelope, per piece	8.40

Notes

¹ The price for Regular, Legal, or Padded Flat Rate Envelopes also applies to sales of Regular, Legal, or Padded Flat Rate Envelopes, respectively, marked with Forever postage, at the time the envelopes are purchased.

RETAIL FLAT RATE BOXES ¹

Size	Delivery to domestic address (\$)	Delivery to APO/FPO/DPO address (\$)
Small Flat Rate Box	8.30	8.30
Medium Flat Rate Boxes	15.05	15.05
Large Flat Rate Boxes	21.10	19.60

Notes

¹ The price for Small, Medium, or Large Flat Rate Boxes also applies to sales of Small, Medium, or Large Flat Rate Boxes, respectively, marked with Forever postage, at the time the boxes are purchased.

REGIONAL RATE BOXES

Size	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
A	9.98	10.22	10.51	11.22	12.72	13.43	14.40	20.99

REGIONAL RATE BOXES—Continued

Size	Local, Zones 1 & 2	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
B	10.37	10.81	11.72	13.83	19.02	21.51	24.19	36.68

Retail Dimensional Weight

In Zones 1–9 (including local), parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is

calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is

calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

COMMERCIAL BASE PRIORITY MAIL ZONE/WEIGHT

Maximum weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
1	7.02	7.35	7.56	7.80	7.98	8.15	8.42	11.40
2	7.64	7.84	8.12	8.76	9.99	10.54	11.19	17.45
3	7.84	8.23	8.59	9.54	12.15	13.49	15.74	23.67
4	7.94	8.45	9.07	10.33	14.16	16.06	18.14	28.50
5	8.04	8.50	9.39	10.64	16.14	18.46	21.01	33.17
6	8.15	8.54	9.50	14.18	18.47	21.45	24.52	38.01
7	8.39	9.69	9.74	15.89	20.46	24.18	27.55	42.68
8	8.45	10.17	11.49	17.35	22.47	26.63	30.94	47.91
9	9.28	10.56	11.97	18.60	24.45	28.84	34.40	53.28
10	9.76	11.10	12.16	20.30	26.67	32.03	37.78	57.94
11	11.30	13.53	14.50	22.57	29.15	35.50	41.67	63.30
12	12.00	14.39	16.89	24.18	31.81	38.40	44.73	67.86
13	12.62	15.22	17.68	25.47	34.14	39.95	46.31	70.29
14	13.27	16.06	18.62	26.96	36.06	42.18	48.61	73.77
15	13.79	16.90	19.53	28.34	37.45	42.99	49.88	75.72
16	14.39	17.97	20.78	30.03	39.95	45.84	53.13	79.88
17	14.85	18.80	21.77	31.50	41.98	48.22	55.95	84.09
18	15.14	19.38	22.75	32.91	44.20	50.60	58.75	88.33
19	15.49	19.83	23.27	33.78	46.18	52.95	61.54	92.52
20	16.10	20.14	23.74	34.40	47.38	54.93	64.39	96.78
21	16.81	20.62	24.29	35.01	47.75	55.45	65.22	98.85
22	17.34	21.18	25.10	35.71	48.08	55.88	65.97	100.00
23	17.86	21.68	25.70	36.36	48.34	56.26	66.36	100.59
24	18.59	22.60	27.16	37.79	49.36	57.73	67.98	103.05
25	19.30	23.40	28.88	39.06	50.09	59.17	69.16	104.82
26	20.47	25.09	31.90	41.14	51.31	60.63	71.33	108.10
27	21.69	26.22	33.84	44.84	52.00	62.04	74.00	112.19
28	22.35	26.57	34.80	46.01	52.71	63.48	76.78	116.40
29	23.04	26.84	35.74	46.62	53.59	64.94	78.85	119.51
30	23.72	27.23	36.58	47.26	55.09	66.36	80.54	122.10
31	24.39	27.50	37.15	47.86	55.89	67.83	82.19	125.60
32	24.67	28.08	37.77	48.42	56.62	69.29	83.87	128.16
33	25.05	28.86	38.71	49.06	57.72	70.72	85.41	130.53
34	25.28	29.61	39.69	50.12	59.09	72.17	87.01	133.00
35	25.56	30.31	40.26	51.18	60.67	73.62	88.51	135.26
36	25.88	31.19	40.79	52.29	62.20	74.62	90.01	137.57
37	26.15	31.77	41.38	53.22	63.83	75.57	91.49	139.84
38	26.41	32.54	41.90	54.28	65.60	76.44	92.94	142.07
39	26.66	33.30	42.38	55.40	67.15	78.45	94.38	144.27
40	26.94	34.00	42.93	56.56	68.23	80.21	95.67	146.22
41	27.23	34.57	43.39	57.06	69.38	81.92	97.05	149.51
42	27.43	34.83	43.77	58.02	70.60	83.04	98.38	151.55
43	27.75	35.09	44.16	58.98	72.29	84.07	99.64	153.49
44	27.94	35.34	44.54	59.93	73.44	85.07	100.76	155.26
45	28.12	35.59	44.94	60.89	74.25	85.99	102.04	157.22
46	28.37	35.85	45.33	61.85	75.08	86.92	103.27	159.09
47	28.58	36.10	45.71	62.81	75.86	87.91	104.41	160.87
48	28.82	36.36	46.10	63.76	76.84	88.75	105.52	162.62
49	29.04	36.60	46.49	64.72	77.89	89.68	106.59	164.21
50	29.16	36.86	46.88	65.68	78.98	90.82	107.71	165.97
51	29.59	37.12	47.25	66.80	80.06	92.12	108.71	168.85
52	30.03	37.38	47.64	67.27	80.84	93.51	110.00	170.82

COMMERCIAL BASE PRIORITY MAIL ZONE/WEIGHT—Continued

Maximum weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
53	30.59	37.62	48.03	67.82	81.52	95.04	111.40	173.01
54	31.03	37.89	48.41	68.41	82.10	96.40	112.96	175.43
55	31.52	38.13	48.80	68.84	82.78	97.93	114.48	177.79
56	31.95	38.39	49.19	69.36	83.33	99.31	115.65	179.63
57	32.46	38.64	49.58	69.77	83.96	100.82	116.67	181.24
58	32.95	38.89	49.96	70.21	84.46	102.15	117.64	182.70
59	33.42	39.15	50.34	70.64	84.94	102.85	118.50	184.07
60	33.84	39.40	50.73	71.03	85.36	103.45	119.35	185.36
61	34.39	39.65	51.12	71.39	85.84	104.05	120.95	187.88
62	34.81	39.91	51.50	71.70	86.24	104.51	122.88	190.84
63	35.44	40.17	51.90	72.08	86.73	105.01	124.85	193.90
64	35.75	40.41	52.28	72.40	87.12	105.49	126.76	196.89
65	36.27	40.67	52.68	72.62	87.37	106.02	128.74	199.97
66	36.74	40.93	53.05	72.95	87.81	106.34	130.61	202.87
67	37.29	41.18	53.95	73.21	88.09	106.76	132.35	205.54
68	37.73	41.43	54.63	73.41	89.20	107.32	133.75	207.72
69	38.24	41.69	55.33	73.63	90.27	107.82	135.16	209.94
70	38.64	41.94	56.20	73.86	91.36	108.21	136.62	212.19

COMMERCIAL BASE FLAT RATE ENVELOPE

	(\$)
Commercial Base Regular Flat Rate Envelope, per piece	7.15
Commercial Base Legal Flat Rate Envelope, per piece	7.45
Commercial Base Padded Flat Rate Envelope, per piece	7.75

COMMERCIAL BASE FLAT RATE BOX

Size	Delivery to domestic address (\$)	Delivery to APO/FPO/DPO address (\$)
Small Flat Rate Box	7.65	7.65
Regular Flat Rate Boxes	13.20	13.20
Large Flat Rate Boxes	18.30	16.80

COMMERCIAL BASE REGIONAL RATE BOXES

Size	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
A	7.68	7.92	8.21	8.92	10.42	11.13	12.10	18.69
B	8.07	8.51	9.42	11.53	16.72	19.21	21.89	34.38

Commercial Base Dimensional Weight

In Zones 1–9 (including local), parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is

calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is

calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

COMMERCIAL PLUS PRIORITY MAIL ZONE/WEIGHT

Maximum weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
0.5	7.02	7.35	7.56	7.80	7.98	8.15	8.42	11.40
1	7.02	7.35	7.56	7.80	7.98	8.15	8.42	11.40
2	7.64	7.84	8.12	8.76	9.99	10.54	11.19	17.45
3	7.84	8.23	8.59	9.54	12.15	13.49	15.74	23.67

COMMERCIAL PLUS PRIORITY MAIL ZONE/WEIGHT—Continued

Maximum weight (pounds)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
4	7.94	8.45	9.07	10.33	14.16	16.06	18.14	28.50
5	8.04	8.50	9.39	10.64	16.14	18.46	21.01	33.17
6	8.15	8.54	9.50	14.18	18.47	21.45	24.52	38.01
7	8.39	9.69	9.74	15.89	20.46	24.18	27.55	42.68
8	8.45	10.17	11.49	17.35	22.47	26.63	30.94	47.91
9	9.28	10.56	11.97	18.60	24.45	28.84	34.40	53.28
10	9.76	11.10	12.16	20.30	26.67	32.03	37.78	57.94
11	11.30	13.53	14.50	22.57	29.15	35.50	41.67	63.30
12	12.00	14.39	16.89	24.18	31.81	38.40	44.73	67.86
13	12.62	15.22	17.68	25.47	34.14	39.95	46.31	70.29
14	13.27	16.06	18.62	26.96	36.06	42.18	48.61	73.77
15	13.79	16.90	19.53	28.34	37.45	42.99	49.88	75.72
16	14.39	17.97	20.78	30.03	39.95	45.84	53.13	79.88
17	14.85	18.80	21.77	31.50	41.98	48.22	55.95	84.09
18	15.14	19.38	22.75	32.91	44.20	50.60	58.75	88.33
19	15.49	19.83	23.27	33.78	46.18	52.95	61.54	92.52
20	16.10	20.14	23.74	34.40	47.38	54.93	64.39	96.78
21	16.81	20.62	24.29	35.01	47.75	55.45	65.22	98.85
22	17.34	21.18	25.10	35.71	48.08	55.88	65.97	100.00
23	17.86	21.68	25.70	36.36	48.34	56.26	66.36	100.59
24	18.59	22.60	27.16	37.79	49.36	57.73	67.98	103.05
25	19.30	23.40	28.88	39.06	50.09	59.17	69.16	104.82
26	20.47	25.09	31.90	41.14	51.31	60.63	71.33	108.10
27	21.69	26.22	33.84	44.84	52.00	62.04	74.00	112.19
28	22.35	26.57	34.80	46.01	52.71	63.48	76.78	116.40
29	23.04	26.84	35.74	46.62	53.59	64.94	78.85	119.51
30	23.72	27.23	36.58	47.26	55.09	66.36	80.54	122.10
31	24.39	27.50	37.15	47.86	55.89	67.83	82.19	125.60
32	24.67	28.08	37.77	48.42	56.62	69.29	83.87	128.16
33	25.05	28.86	38.71	49.06	57.72	70.72	85.41	130.53
34	25.28	29.61	39.69	50.12	59.09	72.17	87.01	133.00
35	25.56	30.31	40.26	51.18	60.67	73.62	88.51	135.26
36	25.88	31.19	40.79	52.29	62.20	74.62	90.01	137.57
37	26.15	31.77	41.38	53.22	63.83	75.57	91.49	139.84
38	26.41	32.54	41.90	54.28	65.60	76.44	92.94	142.07
39	26.66	33.30	42.38	55.40	67.15	78.45	94.38	144.27
40	26.94	34.00	42.93	56.56	68.23	80.21	95.67	146.22
41	27.23	34.57	43.39	57.06	69.38	81.92	97.05	149.51
42	27.43	34.83	43.77	58.02	70.60	83.04	98.38	151.55
43	27.75	35.09	44.16	58.98	72.29	84.07	99.64	153.49
44	27.94	35.34	44.54	59.93	73.44	85.07	100.76	155.26
45	28.12	35.59	44.94	60.89	74.25	85.99	102.04	157.22
46	28.37	35.85	45.33	61.85	75.08	86.92	103.27	159.09
47	28.58	36.10	45.71	62.81	75.86	87.91	104.41	160.87
48	28.82	36.36	46.10	63.76	76.84	88.75	105.52	162.62
49	29.04	36.60	46.49	64.72	77.89	89.68	106.59	164.21
50	29.16	36.86	46.88	65.68	78.98	90.82	107.71	165.97
51	29.59	37.12	47.25	66.80	80.06	92.12	108.71	168.85
52	30.03	37.38	47.64	67.27	80.84	93.51	110.00	170.82
53	30.59	37.62	48.03	67.82	81.52	95.04	111.40	173.01
54	31.03	37.89	48.41	68.41	82.10	96.40	112.96	175.43
55	31.52	38.13	48.80	68.84	82.78	97.93	114.48	177.79
56	31.95	38.39	49.19	69.36	83.33	99.31	115.65	179.63
57	32.46	38.64	49.58	69.77	83.96	100.82	116.67	181.24
58	32.95	38.89	49.96	70.21	84.46	102.15	117.64	182.70
59	33.42	39.15	50.34	70.64	84.94	102.85	118.50	184.07
60	33.84	39.40	50.73	71.03	85.36	103.45	119.35	185.36
61	34.39	39.65	51.12	71.39	85.84	104.05	120.95	187.88
62	34.81	39.91	51.50	71.70	86.24	104.51	122.88	190.84
63	35.44	40.17	51.90	72.08	86.73	105.01	124.85	193.90
64	35.75	40.41	52.28	72.40	87.12	105.49	126.76	196.89
65	36.27	40.67	52.68	72.62	87.37	106.02	128.74	199.97
66	36.74	40.93	53.05	72.95	87.81	106.34	130.61	202.87
67	37.29	41.18	53.95	73.21	88.09	106.76	132.35	205.54
68	37.73	41.43	54.63	73.41	89.20	107.32	133.75	207.72
69	38.24	41.69	55.33	73.63	90.27	107.82	135.16	209.94
70	38.64	41.94	56.20	73.86	91.36	108.21	136.62	212.19

COMMERCIAL PLUS FLAT RATE ENVELOPE

	(\$)
Commercial Plus Regular Flat Rate Envelope, per piece	7.15
Commercial Plus Legal Flat Rate Envelope, per piece	7.45
Commercial Plus Padded Flat Rate Envelope, per piece	7.75

COMMERCIAL PLUS FLAT RATE BOX

Size	Delivery to domestic address (\$)	Delivery to APO/FPO/DPO address (\$)
Small Flat Rate Box	7.65	7.65
Medium Flat Rate Boxes	13.20	13.20
Large Flat Rate Boxes	18.30	16.80

COMMERCIAL PLUS REGIONAL RATE BOXES

Maximum cubic feet	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
A	7.68	7.92	8.21	8.92	10.42	11.13	12.10	18.69
B	8.07	8.51	9.42	11.53	16.72	19.21	21.89	34.38

Commercial Plus Dimensional Weight

In Zones 1–9 (including local), parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is

calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is

calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

COMMERCIAL PLUS CUBIC

Maximum cubic feet	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
0.10	7.02	7.35	7.56	7.80	7.98	8.15	8.42	11.40
0.20	7.46	7.80	8.02	8.71	9.00	9.22	9.56	13.15
0.30	8.04	8.26	8.55	9.65	10.98	11.58	12.29	19.12
0.40	8.21	8.57	8.93	10.31	12.78	14.02	16.02	24.28
0.50	8.34	8.84	9.42	11.15	14.98	16.89	19.24	29.88

Open and Distribute (PMOD)

a. DDU

Container	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
Half Tray	8.49	10.39	12.56	20.20	20.47	22.25	24.70	30.88
Full Tray	11.54	14.43	16.80	29.41	33.79	35.91	40.07	50.08
EMM Tray	13.23	15.76	19.47	32.53	35.71	39.21	43.60	54.50
Flat Tub	18.90	23.69	29.29	49.54	59.80	64.65	71.96	89.95

b. Processing Facilities

Container	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
Half Tray	6.73	8.52	10.46	18.24	18.64	20.39	21.89	27.37
Full Tray	8.70	11.22	13.97	25.48	30.12	32.24	36.03	45.04
EMM Tray	10.38	12.03	16.39	28.13	31.95	35.18	40.65	50.82
Flat Tub	14.85	19.63	24.87	45.42	55.48	60.39	66.42	83.04

Pickup On Demand Service

Add ~~\$23.00~~\$24.00 for each Pickup On Demand stop.

IMpb Noncompliance Fee

Add \$0.20 for each IMpb-noncompliant parcel paying commercial prices, unless the eVS Unmanifested Fee was already assessed on that parcel.

eVS Unmanifested Fee

Add \$0.20 for each unmanifested parcel paying commercial prices, unless the IMpb Noncompliance Fee was already assessed on that parcel.

2115 Parcel Select

* * *

2115.5 Optional Features

The following additional postal services may be available in conjunction with the product specified in this section:

- Forwarding and Return Service
- Pickup On Demand Service

- Ancillary Services (1505)
 - Address Correction Service (1505.1)
 - Certificate of Mailing (1505.6)
 - Collect On Delivery (1505.7)
 - USPS Tracking (1505.8)
 - Insurance (1505.9)
 - Return Receipt (1505.13)
 - Return Receipt for Merchandise (1505.14)
 - Signature Confirmation (1505.17)
 - Special Handling (1505.18)
 - Competitive Ancillary Services (2545)
 - Adult Signature (2545.1)
 - Package Intercept Service (2545.2)
 - Premium Data Retention and Retrieval Service (2545.3)
- 2115.6 Prices
a. DDU

DESTINATION ENTERED—DDU

Maximum weight (pounds)	DDU (\$)
1	3.19
2	3.29
3	3.40
4	3.50
5	3.58
6	3.67
7	3.77
8	3.86
9	3.95
10	4.03
11	4.11
12	4.19
13	4.27
14	4.35
15	4.44
16	4.52
17	4.60
18	4.73
19	4.81
20	4.94
21	6.21
22	6.24

DESTINATION ENTERED—DDU—Continued

Maximum weight (pounds)	DDU (\$)
23	6.27
24	6.30
25	6.33
26	6.36
27	6.39
28	6.42
29	6.45
30	6.48
31	6.51
32	6.54
33	6.57
34	6.60
35	6.63
36	6.66
37	6.69
38	6.72
39	6.75
40	6.78
41	6.81
42	6.84
43	6.87
44	6.90
45	6.93
46	7.10
47	7.17
48	7.25
49	7.32
50	7.40
51	7.47
52	7.54
53	7.62
54	7.69
55	7.76
56	7.84
57	7.91
58	7.99
59	8.06
60	8.14
61	8.23
62	8.31
63	8.40
64	8.48
65	8.57
66	8.65
67	8.74
68	8.82
69	8.90
70	8.99
Oversized	12.77

b. Dimensional Weight

Parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is calculated by multiplying the length

(inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

c. Oversized Pieces

Regardless of weight, any piece that measures more than 108 inches (but not more than 130 inches) in length plus girth must pay the oversized price. As stated in the Domestic Mail Manual, any piece that is found to be over the 70 pound maximum weight limitation is nonmailable, will not be delivered, and

may be subject to the \$100.00 overweight item charge.

d. Forwarding and Returns

Parcel Select pieces that are forwarded on request of the addressee or forwarded or returned on request of the mailer will be subject to the applicable Parcel Select Ground price, plus \$3.00, when forwarded or returned. For customers using Address Correction Service with Shipper Paid Forwarding/Return, and also using an IMpb, the additional fee will be \$2.50.

a. DSCF—5-Digit Machinable

DESTINATION ENTERED—DSCF

Maximum weight (pounds)	DSCF 5-digit (\$)
1	4.37
2	4.55
3	4.72
4	4.90
5	5.04
6	5.27
7	5.39
8	5.56
9	5.73
10	5.91
11	6.08
12	6.25
13	6.42
14	6.60
15	6.77
16	6.94
17	7.12
18	7.29
19	7.46
20	7.63
21	7.81
22	7.98
23	8.15
24	8.32
25	8.50
26	8.67
27	8.84
28	9.01
29	9.19
30	9.37
31	9.55
32	9.73
33	9.92
34	10.10
35	10.28

b. DSCF—3-Digit, 5-Digit Non-Machinable

Maximum weight (pounds)	DSCF 3-digit (\$)	DSCF 5-digit (\$)
1	6.37	4.37
2	6.55	4.55
3	6.72	4.72
4	6.90	4.90
5	7.04	5.04
6	7.27	5.27
7	7.39	5.39
8	7.56	5.56
9	7.73	5.73
10	7.91	5.91
11	8.08	6.08
12	8.25	6.25
13	8.42	6.42
14	8.60	6.60
15	8.77	6.77
16	8.94	6.94
17	9.12	7.12
18	9.29	7.29
19	9.46	7.46
20	9.63	7.63
21	9.81	7.81
22	9.98	7.98
23	10.15	8.15
24	10.32	8.32
25	10.50	8.50
26	10.67	8.67
27	10.84	8.84

Maximum weight (pounds)	DSCF 3-digit (\$)	DSCF 5-digit (\$)
28	11.01	9.01
29	11.19	9.19
30	11.37	9.37
31	11.55	9.55
32	11.73	9.73
33	11.92	9.92
34	12.10	10.10
35	12.28	10.28
36	12.88	10.88
37	13.07	11.07
38	13.26	11.26
39	13.45	11.45
40	13.64	11.64
41	13.83	11.83
42	14.02	12.02
43	14.21	12.21
44	14.40	12.40
45	14.59	12.59
46	14.78	12.78
47	14.97	12.97
48	15.16	13.16
49	15.35	13.35
50	15.54	13.54
51	15.73	13.73
52	15.92	13.92
53	16.11	14.11
54	16.30	14.30
55	16.49	14.49
56	16.68	14.68
57	16.86	14.86
58	17.05	15.05
59	17.24	15.24
60	17.43	15.43
61	17.62	15.62
62	17.81	15.81
63	18.00	16.00
64	18.19	16.19
65	18.38	16.38
66	18.57	16.57
67	18.76	16.76
68	18.95	16.95
69	19.14	17.14
70	19.33	17.33
Oversized	25.40	25.40

c. Dimensional Weight

Parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is calculated by multiplying the length

(inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

d. Oversized Pieces

Regardless of weight, any piece that measures more than 108 inches (but not more than 130 inches) in length plus girth must pay the oversized price. As stated in the Domestic Mail Manual, any piece that is found to be over the 70 pound maximum weight limitation is nonmailable, will not be delivered, and

may be subject to the \$100.00 overweight item charge.

e. Forwarding and Returns

Parcel Select pieces that are forwarded on request of the addressee or forwarded or returned on request of the mailer will be subject to the applicable Parcel Select Ground price, plus \$3.00, when forwarded or returned. For customers using Address Correction Service with Shipper Paid Forwarding/Return, and also using an IMpb, the additional fee will be \$2.50.

a. DNDC—Machinable

DESTINATION ENTERED—DNDC

Maximum weight (pounds)	DNDC Zones 1 & 2 (\$)	DNDC Zone 3 (\$)	DNDC Zone 4 (\$)	DNDC Zones 5 (\$)
1	5.98	6.82	7.78	9.14
2	6.26	7.30	8.42	9.83

DESTINATION ENTERED—DNDC—Continued

Maximum weight (pounds)	DNDC Zones 1 & 2 (\$)	DNDC Zone 3 (\$)	DNDC Zone 4 (\$)	DNDC Zones 5 (\$)
3	6.54	7.79	9.05	10.53
4	6.82	8.27	9.69	11.23
5	6.99	8.63	10.18	11.92
6	7.28	9.12	10.81	12.65
7	7.64	9.62	11.44	13.38
8	7.92	10.12	12.07	14.11
9	8.21	10.62	12.70	14.83
10	8.50	11.11	13.46	15.56
11	8.78	11.73	14.05	16.25
12	9.07	12.23	14.65	16.93
13	9.36	12.61	15.24	17.62
14	9.65	13.23	15.84	18.30
15	9.93	13.60	16.43	18.94
16	10.22	14.23	16.89	19.52
17	10.51	14.58	17.35	20.10
18	10.79	15.06	17.81	20.68
19	11.08	15.55	18.28	21.26
20	11.37	16.02	18.74	21.79
21	11.65	16.46	19.16	22.31
22	11.94	16.91	19.39	22.84
23	12.23	17.53	19.80	23.37
24	12.52	17.98	20.42	23.90
25	12.80	18.19	20.84	24.37
26	13.09	18.57	21.03	24.79
27	13.38	19.15	21.64	25.21
28	13.66	19.35	22.04	25.64
29	13.95	19.73	22.44	26.06
30	14.24	20.07	22.84	26.48
31	14.38	20.40	22.98	26.90
32	14.81	20.74	23.58	27.32
33	15.10	21.07	23.71	27.75
34	15.39	21.41	24.31	28.17
35	15.67	21.96	24.68	28.59

b. DNDC — Non-Machinable

Maximum weight (pounds)	DNDC Zones 1 & 2 (\$)	DNDC Zone 3 (\$)	DNDC Zone 4 (\$)	DNDC Zones 5 (\$)
1	8.98	9.82	10.78	12.14
2	9.26	10.30	11.42	12.83
3	9.54	10.79	12.05	13.53
4	9.82	11.27	12.69	14.23
5	9.99	11.63	13.18	14.92
6	10.28	12.12	13.81	15.65
7	10.64	12.62	14.44	16.38
8	10.92	13.12	15.07	17.11
9	11.21	13.62	15.70	17.83
10	11.50	14.11	16.46	18.56
11	11.78	14.73	17.05	19.25
12	12.07	15.23	17.65	19.93
13	12.36	15.61	18.24	20.62
14	12.65	16.23	18.84	21.30
15	12.93	16.60	19.43	21.94
16	13.22	17.23	19.89	22.52
17	13.51	17.58	20.35	23.10
18	13.79	18.06	20.81	23.68
19	14.08	18.55	21.28	24.26
20	14.37	19.02	21.74	24.79
21	14.65	19.46	22.16	25.31
22	14.94	19.91	22.39	25.84
23	15.23	20.53	22.80	26.37
24	15.52	20.98	23.42	26.90
25	15.80	21.19	23.84	27.37
26	16.09	21.57	24.03	27.79
27	16.38	22.15	24.64	28.21
28	16.66	22.35	25.04	28.64

Maximum weight (pounds)	DNDC Zones 1 & 2 (\$)	DNDC Zone 3 (\$)	DNDC Zone 4 (\$)	DNDC Zones 5 (\$)
29	16.95	22.73	25.44	29.06
30	17.24	23.07	25.84	29.48
31	17.38	23.40	25.98	29.90
32	17.81	23.74	26.58	30.32
33	18.10	24.07	26.71	30.75
34	18.39	24.41	27.31	31.17
35	18.67	24.96	27.68	31.59
36	19.59	26.11	28.94	32.18
37	19.89	26.46	29.31	32.60
38	20.18	26.81	29.68	33.02
39	20.48	27.16	30.05	33.44
40	20.77	27.50	30.42	33.84
41	21.07	27.85	30.77	34.25
42	21.36	28.20	31.13	34.65
43	21.66	28.55	31.49	35.05
44	21.95	28.90	31.85	35.45
45	22.25	29.24	32.21	35.85
46	22.55	29.59	32.57	36.25
47	22.84	29.94	32.93	36.65
48	23.14	30.29	33.29	37.05
49	23.43	30.64	33.64	37.45
50	23.72	30.97	34.00	37.83
51	24.00	31.31	34.34	38.21
52	24.29	31.65	34.68	38.59
53	24.57	31.99	35.02	38.97
54	24.86	32.33	35.35	39.35
55	25.14	32.65	35.69	39.73
56	25.43	32.97	36.03	40.11
57	25.71	33.29	36.37	40.49
58	26.00	33.60	36.70	40.87
59	26.28	33.92	37.04	41.25
60	26.56	34.23	37.38	41.61
61	26.85	34.55	37.70	41.97
62	27.13	34.87	38.01	42.33
63	27.42	35.18	38.33	42.69
64	27.70	35.50	38.64	43.04
65	27.99	35.82	38.96	43.40
66	28.27	36.12	39.28	43.74
67	28.56	36.43	39.59	44.08
68	28.84	36.74	39.91	44.42
69	29.13	37.04	40.23	44.75
70	29.41	37.35	40.54	45.09
Oversized	39.71	53.14	63.35	73.14

c. Dimensional Weight

Parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is calculated by multiplying the length

(inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

d. Oversized Pieces

Regardless of weight, any piece that measures more than 108 inches (but not more than 130 inches) in length plus girth must pay the oversized price. As stated in the Domestic Mail Manual, any piece that is found to be over the 70 pound maximum weight limitation is nonmailable, will not be delivered, and

may be subject to the \$100.00 overweight item charge.

e. Forwarding and Returns

Parcel Select pieces that are forwarded on request of the addressee or forwarded or returned on request of the mailer will be subject to the applicable Parcel Select Ground price, plus \$3.00, when forwarded or returned. For customers using Address Correction Service with Shipper Paid Forwarding/Return, and also using an IMpb, the additional fee will be \$2.50.

a. Parcel Select Ground

NON-DESTINATION ENTERED—PARCEL SELECT GROUND

Maximum weight (pounds)	Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)
1	6.92	7.25	7.46	7.65	7.78	7.90	8.12
2	7.54	7.74	8.02	8.61	9.79	10.29	10.89

NON-DESTINATION ENTERED—PARCEL SELECT GROUND—Continued

Maximum weight (pounds)	Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)
3	7.74	8.13	8.49	9.34	11.90	13.19	15.39
4	7.84	8.35	8.97	10.13	13.91	15.76	17.79
5	7.94	8.40	9.29	10.44	15.89	18.16	20.66
6	8.05	8.44	9.40	13.98	18.22	21.15	24.17
7	8.29	9.59	9.64	15.69	20.21	23.88	27.20
8	8.35	10.07	11.39	17.15	22.22	26.33	30.59
9	9.18	10.46	11.87	18.40	24.20	28.54	34.05
10	9.66	11.00	12.06	20.10	26.42	31.73	37.43
11	11.20	13.43	14.40	22.37	28.90	35.20	41.32
12	11.90	14.29	16.79	23.98	31.56	38.10	44.38
13	12.52	15.12	17.58	25.27	33.89	39.65	45.96
14	13.17	15.96	18.52	26.76	35.81	41.88	48.26
15	13.69	16.80	19.43	28.14	37.20	42.69	49.53
16	14.29	17.87	20.68	29.83	39.70	45.54	52.78
17	14.75	18.70	21.67	31.30	41.73	47.92	55.60
18	15.04	19.28	22.65	32.71	43.95	50.30	58.40
19	15.39	19.73	23.17	33.58	45.93	52.65	61.10
20	16.00	20.04	23.64	34.20	47.13	54.63	64.04
21	16.71	20.52	24.19	34.81	47.50	55.15	64.87
22	17.24	21.08	25.00	35.51	47.83	55.58	65.62
23	17.76	21.58	25.60	36.16	48.09	55.96	66.01
24	18.49	22.50	27.06	37.59	49.11	57.43	67.63
25	19.20	23.30	28.78	38.86	49.84	58.87	68.81
26	20.37	24.99	31.80	40.94	51.06	60.33	70.98
27	21.59	26.12	33.74	44.64	51.75	61.74	73.65
28	22.25	26.47	34.70	45.81	52.46	63.18	76.43
29	22.94	26.74	35.64	46.42	53.34	64.64	78.50
30	23.62	27.13	36.48	47.06	54.84	66.06	80.19
31	24.29	27.40	37.05	47.66	55.64	67.53	81.84
32	24.57	27.98	37.67	48.22	56.37	68.99	83.52
33	24.95	28.76	38.61	48.86	57.47	70.42	85.06
34	25.18	29.51	39.59	49.92	58.84	71.87	86.66
35	25.46	30.21	40.16	50.98	60.42	73.32	88.16
36	25.78	31.09	40.69	52.09	61.95	74.32	89.66
37	26.05	31.67	41.28	53.02	63.58	75.27	91.14
38	26.31	32.44	41.80	54.08	65.35	76.14	92.59
39	26.56	33.20	42.28	55.20	66.90	78.15	94.03
40	26.84	33.90	42.83	56.36	67.98	79.91	95.32
41	27.13	34.47	43.29	56.86	69.13	81.62	96.70
42	27.33	34.73	43.67	57.82	70.35	82.74	98.03
43	27.65	34.99	44.06	58.78	72.04	83.77	99.29
44	27.84	35.24	44.44	59.73	73.19	84.77	100.41
45	28.02	35.49	44.84	60.69	74.00	85.69	101.69
46	28.27	35.75	45.23	61.65	74.83	86.62	102.92
47	28.48	36.00	45.61	62.61	75.61	87.61	104.06
48	28.72	36.26	46.00	63.56	76.59	88.45	105.17
49	28.94	36.50	46.39	64.52	77.64	89.38	106.24
50	29.06	36.76	46.78	65.48	78.73	90.52	107.36
51	29.49	37.02	47.15	66.60	79.81	91.82	108.36
52	29.93	37.28	47.54	67.07	80.59	93.21	109.65
53	30.49	37.52	47.93	67.62	81.27	94.74	111.05
54	30.93	37.79	48.31	68.21	81.85	96.10	112.61
55	31.42	38.03	48.70	68.64	82.53	97.63	114.13
56	31.85	38.29	49.09	69.16	83.08	99.01	115.30
57	32.36	38.54	49.48	69.57	83.71	100.52	116.32
58	32.85	38.79	49.86	70.01	84.21	101.85	117.29
59	33.32	39.05	50.24	70.44	84.69	102.55	118.15
60	33.74	39.30	50.63	70.83	85.11	103.15	119.00
61	34.29	39.55	51.02	71.19	85.59	103.75	120.60
62	34.71	39.81	51.40	71.50	85.99	104.21	122.53
63	35.34	40.07	51.80	71.88	86.48	104.71	124.50
64	35.65	40.31	52.18	72.20	86.87	105.19	126.41
65	36.17	40.57	52.58	72.42	87.12	105.72	128.39
66	36.64	40.83	52.95	72.75	87.56	106.04	130.26
67	37.19	41.08	53.85	73.01	87.84	106.46	132.00
68	37.63	41.33	54.53	73.21	88.95	107.02	133.40
69	38.14	41.59	55.23	73.43	90.02	107.52	134.81
70	38.54	41.84	56.10	73.66	91.11	107.91	136.27
Oversized	76.95	97.85	118.75	139.65	160.55	181.45	202.35

b. Dimensional Weight
Parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is

calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

c. Oversized Pieces

Regardless of weight, any piece that measures more than 108 inches (but not more than 130 inches) in length plus girth must pay the oversized price. As stated in the Domestic Mail Manual, any piece that is found to be over the 70 pound maximum weight limitation is

nonmailable, will not be delivered, and may be subject to the \$100.00 overweight item charge.

d. Forwarding and Returns

Parcel Select pieces that are forwarded on request of the addressee or forwarded or returned on request of the mailer will be subject to the applicable Parcel Select Ground price, plus \$3.00, when forwarded or returned. For customers using Address Correction Service with Shipper Paid Forwarding/Return, and also using an IMpb, the additional fee will be \$2.50.

PARCEL SELECT LIGHTWEIGHT

Maximum weight (ounces)	Entry point/sortation level							
	DDU/ 5-Digit (\$)	DSCF/ 5-Digit (\$)	DNDC/ 5-Digit (\$)	DSCF/ SCF (\$)	DNDC/ SCF (\$)	DNDC/ NDC (\$)	None/ NDC (\$)	None/mixed NDC/single-piece (\$)
1	1.81	2.11	2.33	2.34	2.72	2.97	3.34	3.73
2	1.81	2.11	2.33	2.34	2.72	2.97	3.34	3.73
3	1.81	2.11	2.33	2.34	2.72	2.97	3.34	3.73
4	1.81	2.11	2.33	2.34	2.72	2.97	3.34	3.73
5	1.82	2.14	2.38	2.40	2.83	3.09	3.48	3.88
6	1.82	2.14	2.38	2.40	2.83	3.09	3.48	3.88
7	1.82	2.14	2.38	2.40	2.83	3.09	3.48	3.88
8	1.82	2.14	2.38	2.40	2.83	3.09	3.48	3.88
9	1.94	2.37	2.88	2.92	3.42	3.74	4.17	4.60
10	1.94	2.37	2.88	2.92	3.42	3.74	4.17	4.60
11	1.94	2.37	2.88	2.92	3.42	3.74	4.17	4.60
12	1.94	2.37	2.88	2.92	3.42	3.74	4.17	4.60
13	2.12	2.65	3.32	3.38	3.92	4.25	4.69	5.15
14	2.12	2.65	3.32	3.38	3.92	4.25	4.69	5.15
15	2.12	2.65	3.32	3.38	3.92	4.25	4.69	5.15
15.999	2.12	2.65	3.32	3.38	3.92	4.25	4.69	5.15

BILLING CODE 7710-12-P

Forwarding and Return Service

If Forwarding Service is used in conjunction with electronic Address Correction Service, forwarded Parcel Select Lightweight parcels pay ~~\$4.53~~\$4.75 per piece. All other Parcel Select Lightweight pieces requesting Forwarding and Return Service that are returned are charged the appropriate First-Class Package Service or Priority Mail price for the piece multiplied by a factor of 2.472.

Pickup On Demand Service

Add ~~\$23.00~~\$24.00 for each Pickup On Demand stop.

IMpb Noncompliance Fee

Add \$0.20 for each IMpb-noncompliant parcel paying commercial prices, unless the eVS Unmanifested Fee was already assessed on that parcel.

eVS Unmanifested Fee

Add \$0.20 for each unmanifested parcel paying commercial prices, unless the IMpb Noncompliance Fee was already assessed on that parcel.

BILLING CODE 7710-12-C

2120.6 Prices

2120 Parcel Return Service

a. Machinable RSCF

* * *

RSCF ENTERED

	Maximum weight (pounds)	RSCF (\$)
1	3.83
2	4.33
3	4.65
4	5.00
5	5.38
6	5.91
7	6.32
8	6.84
9	7.31
10	7.82
11	8.28
12	8.86
13	9.26
14	9.58
15	9.93
16	10.26
17	10.63
18	10.93
19	11.22
20	11.60
21	11.90
22	12.26
23	12.50
24	12.89
25	13.16
26	13.45
27	13.76
28	14.03

RSCF ENTERED—Continued

Maximum weight (pounds)	RSCF (\$)
29	14.35
30	14.60
31	14.91
32	15.22
33	15.47
34	15.88
35	16.15

b. Nonmachinable RSCF

Maximum weight (pounds)	RSCF (\$)
1	6.83
2	7.33
3	7.65
4	8.00
5	8.38
6	8.91
7	9.32
8	9.84
9	10.31
10	10.82
11	11.28
12	11.86
13	12.26
14	12.58
15	12.93
16	13.26
17	13.63
18	13.93
19	14.22
20	14.60
21	14.90
22	15.26
23	15.50
24	15.89
25	16.16
26	16.45
27	16.76
28	17.03
29	17.35
30	17.60
31	17.91
32	18.22
33	18.47
34	18.88
35	19.15
36	19.44
37	19.70
38	19.95
39	20.21
40	20.46
41	20.72
42	20.97
43	21.23
44	21.48
45	21.74
46	21.99
47	22.25
48	22.50
49	22.76
50	23.01
51	23.27
52	23.52
53	23.78
54	24.03
55	24.29
56	24.54
57	24.80

Maximum weight (pounds)	RSCF (\$)
58	25.05
59	25.31
60	25.56
61	25.82
62	26.07
63	26.33
64	26.58
65	26.84
66	27.09
67	27.35
68	27.60
69	27.86
70	27.95
Oversized	39.62

c. Balloon Price

RSCF entered pieces exceeding 84 inches in length and girth combined, but not more than 108 inches, and weighing less than 20 pounds are subject to a price equal to that for a 20-

pound parcel for the zone to which the parcel is addressed.

d. Oversized Pieces

Regardless of weight, any piece that measures more than 108 inches (but not more than 130 inches) in length plus girth must pay the oversized price. As

stated in the Domestic Mail Manual, any piece that is found to be over the 70 pound maximum weight limitation is nonmailable, will not be delivered, and may be subject to the \$100.00 overweight item charge.

a. Machinable RDU

RDU ENTERED

Maximum weight (pounds)	RDU (\$)
1	3.05
2	3.14
3	3.22
4	3.32
5	3.40
6	3.50
7	3.58
8	3.66
9	3.76
10	3.84
11	3.94
12	4.02
13	4.12
14	4.20
15	4.28
16	4.38
17	4.46
18	4.56
19	4.64
20	4.74
21	4.82
22	4.90
23	5.00
24	5.08
25	5.18
26	5.24
27	5.33
28	5.42
29	5.51
30	5.60
31	5.69
32	5.77
33	5.86
34	5.95
35	6.04

b. Nonmachinable RDU

	Maximum weight (pounds)	RDU (\$)
1		3.05
2		3.14
3		3.22
4		3.32
5		3.40
6		3.50
7		3.58
8		3.66
9		3.76
10		3.84
11		3.94
12		4.02
13		4.12
14		4.20
15		4.28
16		4.38
17		4.46
18		4.56
19		4.64
20		4.74
21		4.82
22		4.90
23		5.00
24		5.08
25		5.18
26		5.24
27		5.33
28		5.42
29		5.51
30		5.60
31		5.69
32		5.77
33		5.86
34		5.95
35		6.04
36		6.13
37		6.22
38		6.30
39		6.39
40		6.48
41		6.57
42		6.66
43		6.75
44		6.83
45		6.92
46		7.01
47		7.10
48		7.19
49		7.28
50		7.36
51		7.45
52		7.54
53		7.63
54		7.72
55		7.81
56		7.89
57		7.98
58		8.07
59		8.16
60		8.25
61		8.34
62		8.42
63		8.51
64		8.60
65		8.69
66		8.78
67		8.86
68		8.95
69		9.04
70		9.13
Oversized		12.06

c. Oversized Pieces

Regardless of weight, any piece that measures more than 108 inches (but not more than 130 inches) in length plus girth must pay the oversized price. As stated in the Domestic Mail Manual, any

piece that is found to be over the 70 pound maximum weight limitation is nonmailable, will not be delivered, and may be subject to the \$100.00 overweight item charge.

Impb Noncompliance Fee

Add \$0.20 for each IMpb-noncompliant parcel paying commercial prices.

BILLING CODE 7710-12-P

2125 First-Class Package Service

2125.1 Description

- a. Any mailable matter may be mailed as First-Class Package Service Commercial mail, except matter that meets the definition of "letter" in 39 C.F.R. § 310.1 and does not fit within any of the exceptions or suspensions to the Private Express Statutes in 39 C.F.R. Parts 310 and 320.
- b. First-Class Package Service Commercial mail is not sealed against postal inspection. Mailing of matter as such constitutes consent by the mailer to postal inspection of the contents, regardless of the physical closure.
- c. Any mailable matter may be mailed as First-Class Package Service Retail mail.
- d. First-Class Package Service Retail mail is sealed against postal inspection and shall not be opened except as authorized by law.
- e. First-Class Package Service pieces that are undeliverable-as-addressed are entitled to be forwarded or returned to the sender without additional charge.
- f. Postage for First-Class Package Service Commercial mail must be paid for by one of the following methods:
 - Registered end-users of USPS-approved PC Postage products when using a qualifying shipping label managed by PC Postage system.
 - USPS-approved IBI postage meters that electronically transmit transactional data to the USPS.
 - Permit imprint.
 - ~~Permit holders using Merchandise Return Service (MRS) for First-Class Package Service mailpieces when all MRS requirements are met (505.3.0).~~
- g. Return parcels may be sent without prepayment of postage if authorized by the returns customer, who agrees to pay the postage.

Attachments and Enclosures

- a. First-Class Mail or USPS Marketing Mail pieces may be attached to or enclosed in First-Class Package Service mail. Additional postage may be required.

2125.5 Optional Features

The following additional postal services may be available in conjunction with the product specified in this section:

- Ancillary Services (1505)
 - Address Correction Service (1505.1)
 - Business Reply Mail (1505.3)
 - Certified Mail (1505.5)
 - Certificate of Mailing (1505.6)
 - Collect on Delivery (1505.7)
 - USPS Tracking (1505.8)
 - Insurance (1505.9)
 - ~~Merchandise Return Service (1505.10)~~
 - Registered Mail (1505.12)
 - Return Receipt (1505.13)
 - Signature Confirmation (1505.17)
 - Special Handling (1505.18)
- Pickup on Demand Service
- Competitive Ancillary Services (2645)
 - Package Intercept Service (2645.2)
 - Premium Data Retention and Retrieval Service (2545.3)

BILLING CODE 7710-12-C

2125.6 Prices

COMMERCIAL

Maximum weight (ounces)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)
1	2.74	2.76	2.78	2.84	2.93	3.05	3.18
2	2.74	2.76	2.78	2.84	2.93	3.05	3.18
3	2.74	2.76	2.78	2.84	2.93	3.05	3.18
4	2.74	2.76	2.78	2.84	2.93	3.05	3.18
5	3.21	3.23	3.25	3.31	3.39	3.52	3.67
6	3.21	3.23	3.25	3.31	3.39	3.52	3.67
7	3.21	3.23	3.25	3.31	3.39	3.52	3.67
8	3.21	3.23	3.25	3.31	3.39	3.52	3.67
9	3.93	3.97	4.00	4.08	4.18	4.32	4.46
10	3.93	3.97	4.00	4.08	4.18	4.32	4.46
11	3.93	3.97	4.00	4.08	4.18	4.32	4.46
12	3.93	3.97	4.00	4.08	4.18	4.32	4.46
13	5.04	5.08	5.12	5.27	5.40	5.54	5.70
14	5.04	5.08	5.12	5.27	5.40	5.54	5.70
15	5.04	5.08	5.12	5.27	5.40	5.54	5.70
15.999	5.04	5.08	5.12	5.27	5.40	5.54	5.70

RETAIL¹

Maximum weight (ounces)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)
1	3.80	3.85	3.90	3.95	4.00	4.05	4.20
2	3.80	3.85	3.90	3.95	4.00	4.05	4.20

RETAIL¹—Continued

Maximum weight (ounces)	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)
3	3.80	3.85	3.90	3.95	4.00	4.05	4.20
4	3.80	3.85	3.90	3.95	4.00	4.05	4.20
5	4.60	4.65	4.70	4.75	4.80	4.90	5.00
6	4.60	4.65	4.70	4.75	4.80	4.90	5.00
7	4.60	4.65	4.70	4.75	4.80	4.90	5.00
8	4.60	4.65	4.70	4.75	4.80	4.90	5.00
9	5.30	5.35	5.40	5.45	5.50	5.65	5.75
10	5.30	5.35	5.40	5.45	5.50	5.65	5.75
11	5.30	5.35	5.40	5.45	5.50	5.65	5.75
12	5.30	5.35	5.40	5.45	5.50	5.65	5.75
13	5.90	5.95	6.05	6.15	6.20	6.40	6.50

Notes:

1. A handling charge of \$0.01 per piece applies to foreign-origin, inbound direct entry mail tendered by foreign postal operators, subject to the terms of an authorization arrangement.

Irregular Parcel Surcharge

Add \$0.20 for each irregularly shaped parcel (such as rolls, tubes, and triangles).

IMpb Noncompliance Fee

Add \$0.20 for each IMpb-noncompliant parcel paying commercial

prices, unless the eVS Unmanifested Fee was already assessed on that parcel. eVS Unmanifested Fee

Add \$0.20 for each unmanifested parcel paying commercial prices, unless the IMpb Noncompliance Fee was already assessed on that parcel.

Pickup On Demand Service

Add ~~\$23.00~~ \$24.00 for each Pickup On Demand stop.

2135 USPS Retail Ground

2135.1 Description

a. USPS Retail Ground provides reliable and economical ground package delivery service for less-than-urgent deliveries and oversized packages up to 130 inches in combined length and girth.

b. Any mailable matter may be mailed as USPS Retail Ground, except matter required to be mailed: (1) By First-Class Mail service; (2) as Customized MarketMail pieces; or (3) copies of a publication that are required to be entered as Periodicals mail.

c. USPS Retail Ground pieces are not sealed against postal inspection. Mailing of matter as USPS Retail Ground mail constitutes consent by the mailer to postal inspection of the contents, regardless of the physical closure.

d. USPS Retail Ground mail may receive deferred service.

e. USPS Retail Ground pieces that are undeliverable-as-addressed will be forwarded on request of the addressee, or forwarded and returned on request of the mailer, subject to the applicable single-piece Retail Ground when forwarded or returned from one post office to another. Pieces which combine domestic USPS Retail Ground mail with First-Class Mail or USPS Marketing Mail pieces will be forwarded if undeliverable-as-addressed, and returned if undeliverable.

f. Pieces presented as USPS Retail Ground that contain non-hazardous materials and are permitted to travel by air transportation will be converted to Priority Mail service for Zones 1–4 only. Priority Mail prices, including

dimensional weighting, will apply to these pieces.

g. Return parcels may be sent without prepayment of postage if authorized by the returns customer, who agrees to pay the postage.

Attachments and Enclosures

a. First-Class Mail or USPS Marketing Mail pieces may be attached to or enclosed in USPS Retail Ground mail. Additional postage may be required.

b. USPS Retail Ground mail may have limited written additions placed on the wrapper, on a tag or label attached to the outside of the package, or inside the package, either loose or attached to the article.

* * *

BILLING CODE 7710-12-P

2135.4 Price Categories

- USPS Retail Ground
 - Zones 1-8
 - Limited Overland Routes
 - ~~Balloon Price~~
 - Oversized
 - Dimensional Weight – Applies to parcels in zones 1-48 that exceed one cubic foot

2135.5 Optional Features

The following additional postal services may be available in conjunction with the product specified in this section:

- Pickup On Demand Service
- Ancillary Services (1505)
 - Address Correction Service (1505.1)
 - Certificate of Mailing (1505.6)
 - Collect on Delivery (1505.7)
 - USPS Tracking (1505.8)
 - Insurance (1505.9)
 - ~~Merchandise Return Service (1505.10)~~
 - Return Receipt (1505.13)
 - Return Receipt for Merchandise (1505.14)
 - Signature Confirmation (1505.17)
 - Special Handling (1505.18)
- Competitive Ancillary Services (2645)
 - Package Intercept Service (2645.2)

BILLING CODE 7710-12-C

2135.6 Prices

USPS RETAIL GROUND ¹

Maximum weight (pounds)	Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)
1	7.50	7.85	8.00	8.20	8.40	8.75	9.35
2	8.25	8.70	9.90	10.75	11.60	12.60	13.60
3	8.70	9.70	10.90	12.35	13.05	15.30	17.35
4	9.20	10.55	11.55	12.90	15.55	18.20	20.85
5	10.20	11.30	12.25	13.65	17.05	20.50	23.90
6	10.95	11.55	12.80	15.50	19.40	23.30	27.15
7	11.95	13.10	15.40	17.40	21.70	26.00	30.30
8	12.30	14.50	17.10	20.15	24.75	29.30	33.90
9	12.80	15.65	18.95	22.95	27.90	32.85	37.80
10	13.60	16.80	20.40	24.50	29.70	34.90	40.05
11	14.95	18.50	22.50	26.20	31.95	37.75	43.55
12	16.25	19.85	24.20	28.10	34.30	40.55	46.75
13	17.25	20.95	25.55	29.75	35.70	41.65	47.55
14	18.30	22.35	27.20	31.55	37.70	43.85	49.95
15	18.95	23.60	28.75	33.45	39.40	45.40	51.35
16	19.60	24.90	30.30	35.25	41.55	47.85	54.20
17	20.50	26.20	31.90	37.10	43.75	50.35	57.00
18	20.85	27.10	33.20	38.95	45.95	52.95	59.95

USPS RETAIL GROUND ¹—Continued

Maximum weight (pounds)	Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)
19	21.45	27.75	33.95	39.95	47.00	54.05	61.10
20	22.35	28.10	34.50	40.75	48.50	56.30	64.10
21	23.10	28.45	35.00	41.30	49.35	57.40	65.50
22	23.65	29.10	35.85	42.25	50.50	58.80	67.05
23	24.20	29.70	36.45	43.00	51.45	59.85	68.30
24	24.75	30.30	37.30	43.90	52.60	61.30	70.00
25	25.00	30.80	38.80	45.15	53.80	62.50	71.20
26	26.00	31.40	40.25	46.05	55.15	64.25	73.40
27	26.80	31.85	41.45	48.40	57.60	66.80	76.05
28	27.60	32.25	42.70	49.65	59.45	69.20	79.00
29	28.45	32.65	43.75	50.40	60.65	70.90	81.15
30	29.30	33.05	44.80	51.05	61.65	72.25	82.80
31	30.15	33.40	45.55	51.80	62.75	73.70	84.65
32	30.50	34.15	46.30	52.35	63.65	74.95	86.20
33	31.05	35.05	47.45	53.05	64.70	76.30	87.90
34	31.30	36.00	48.65	54.15	65.95	77.80	89.60
35	31.60	36.85	49.25	55.30	67.20	79.15	91.05
36	31.95	37.90	49.95	56.60	68.60	80.60	92.60
37	32.25	38.55	50.65	57.55	69.75	81.90	94.10
38	32.65	39.55	51.30	58.65	71.00	83.30	95.65
39	32.95	40.45	51.95	59.90	72.25	84.65	97.05
40	33.35	41.30	52.65	61.20	73.60	86.00	98.40
41	33.65	42.10	53.25	61.75	74.50	87.20	99.95
42	33.90	42.85	53.80	63.05	75.75	88.45	101.20
43	34.35	43.55	54.30	64.40	77.05	89.70	102.35
44	34.55	44.25	55.00	65.75	78.40	91.05	103.70
45	34.80	44.75	55.35	67.30	79.85	92.40	104.95
46	35.05	45.05	55.95	68.45	81.00	93.60	106.15
47	35.35	45.50	56.50	70.10	82.55	95.00	107.40
48	35.70	45.85	57.05	71.45	83.80	96.15	108.55
49	35.90	46.15	57.45	72.70	85.00	97.30	109.55
50	36.05	46.45	57.90	74.20	86.35	98.55	110.75
51	36.20	46.90	58.40	75.40	87.55	99.65	111.75
52	36.65	47.20	58.80	76.00	88.35	100.70	113.05
53	37.30	47.50	59.15	76.60	89.20	101.85	114.50
54	37.75	47.70	59.60	77.20	90.20	103.15	116.15
55	38.40	48.05	59.90	77.75	91.05	104.30	117.60
56	38.95	48.35	60.25	78.30	91.80	105.30	118.80
57	39.50	48.50	60.60	78.70	92.35	106.00	119.65
58	40.15	48.75	61.00	79.30	93.10	106.85	120.60
59	40.75	48.95	61.30	79.75	93.65	107.55	121.50
60	41.30	49.15	61.90	80.15	94.20	108.25	122.30
61	41.90	49.40	63.00	80.55	95.05	109.55	124.00
62	42.35	49.50	63.75	81.00	96.00	111.00	125.95
63	43.15	49.75	64.85	81.40	96.90	112.45	127.95
64	43.60	51.30	65.80	81.85	97.90	113.95	130.05
65	44.20	51.45	66.65	82.00	98.65	115.30	131.95
66	44.75	51.65	67.75	82.45	99.65	116.80	134.00
67	45.50	51.75	68.90	82.75	100.40	118.05	135.70
68	46.00	51.85	69.75	82.95	101.05	119.10	137.20
69	46.60	51.90	70.60	83.15	101.65	120.10	138.60
70	47.15	52.05	71.75	83.40	102.30	121.20	140.15
Oversized	76.95	97.85	118.75	139.65	160.55	181.45	202.35

Notes:

1. Except for oversized pieces, the Zone 1–4 prices are applicable only to parcels containing hazardous or other material not permitted to travel by air

transportation. All other parcels for shipment in Zones 1–4 will be converted to Priority Mail service.

Limited Overland Routes

Pieces delivered to or from designated intra-Alaska ZIP Codes not connected by overland routes are eligible for the following prices.

Maximum weight (pounds)	Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)
1	7.10	7.40	7.75	8.05
2	7.75	8.30	8.90	9.45
3	8.00	9.20	10.15	12.30
4	8.50	9.75	10.80	12.80

Maximum weight (pounds)	Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)
5	9.00	10.05	11.35	13.35
6	9.15	10.40	11.75	14.10
7	9.50	10.85	12.45	15.05
8	9.80	11.35	13.15	16.10
9	10.20	12.05	13.85	17.15
10	10.50	12.35	14.50	18.05
11	10.75	12.70	15.05	18.85
12	11.10	13.25	15.75	19.80
13	11.45	13.70	16.45	20.70
14	11.80	14.25	17.10	21.65
15	12.15	14.75	17.80	22.60
16	12.50	15.20	18.45	23.50
17	12.85	15.75	19.15	24.45
18	13.15	16.25	19.80	25.40
19	13.50	16.70	20.40	26.20
20	13.85	17.15	21.00	27.00
21	14.20	17.60	21.55	27.75
22	14.55	18.05	22.15	28.55
23	14.85	18.55	22.75	29.40
24	15.20	18.95	23.35	30.15
25	15.55	19.45	24.05	31.00
26	15.85	19.90	24.75	31.80
27	16.20	20.35	25.35	32.80
28	16.55	20.80	26.05	33.60
29	16.95	21.25	26.65	34.40
30	17.40	21.70	27.25	35.15
31	17.95	22.10	27.90	35.90
32	18.25	22.60	28.45	36.65
33	18.65	23.05	29.10	37.45
34	19.10	23.55	29.70	38.25
35	19.65	24.00	30.35	39.10
36	19.90	24.50	30.90	39.90
37	20.35	24.95	31.45	40.70
38	20.80	25.40	32.10	41.55
39	21.25	25.90	32.65	42.40
40	21.70	26.35	33.40	43.25
41	22.15	26.85	33.95	43.95
42	22.50	27.30	34.55	44.85
43	22.90	27.80	35.10	45.70
44	23.20	28.25	35.70	46.50
45	23.55	28.65	36.25	47.40
46	23.90	29.10	36.85	48.25
47	24.25	29.55	37.45	49.15
48	24.55	30.00	38.00	50.00
49	24.95	30.45	38.55	50.85
50	25.30	30.85	39.10	51.75
51	25.65	31.30	39.70	52.55
52	26.00	31.80	40.25	53.30
53	26.35	32.20	40.80	54.05
54	26.65	32.65	41.35	54.80
55	27.05	33.05	41.90	55.50
56	27.40	33.50	42.50	56.30
57	27.75	33.90	43.05	57.05
58	28.10	34.35	43.60	57.75
59	28.45	34.80	44.15	58.50
60	28.80	35.25	44.75	59.25
61	29.15	35.65	45.35	59.90
62	29.50	36.10	46.00	60.70
63	29.85	36.55	46.60	61.40
64	30.20	36.95	47.25	62.15
65	30.55	37.40	47.80	62.80
66	30.90	37.80	48.45	63.55
67	31.30	38.25	49.05	64.20
68	31.65	38.65	49.70	64.95
69	31.95	39.10	50.30	65.60
70	32.35	40.15	51.30	66.35
Oversized	47.25	64.75	71.35	86.60

Balloon Price

Limited Overland Routes Pieces exceeding 84 inches in length and girth combined (but not more than 108 inches) and weighing less than 20 pounds are subject to a price equal to that for a 20-pound parcel for the zone to which the parcel is addressed.

Oversized Pieces

Regardless of weight, any piece that measures more than 108 inches (but not more than 130 inches) in length plus girth must pay the oversized price. As stated in the Domestic Mail Manual, any piece that is found to be over the 70 pound maximum weight limitation is nonmailable, will not be delivered, and may be subject to the \$100.00 overweight item charge.

Pickup On Demand Service

Add ~~\$23.00~~ \$24.00 for each Pickup On Demand stop.

Dimensional Weight

In Zones 1-48, parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

These dimensional weight rules do not apply to the Limited Overland Routes price category.

IMpb Noncompliance Fee

Add \$0.20 for each IMpb-noncompliant parcel paying commercial prices.

2300 International Products

* * *

2305 Outbound International
Expedited Services

* * *

2305.6 Prices

* * *

PRIORITY MAIL EXPRESS INTERNATIONAL FLAT RATE RETAIL PRICES

	Country price group							
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)
Flat Rate Envelope	45.95	61.65	66.50	64.95	64.95	69.35	64.85	68.95

PRIORITY MAIL EXPRESS INTERNATIONAL FLAT RATE COMMERCIAL BASE PRICES

	Country price group							
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)
Flat Rate Envelope	42.85	56.75	62.45	60.95	60.95	65.95	59.80	61.75

PRIORITY MAIL EXPRESS INTERNATIONAL FLAT RATE COMMERCIAL PLUS PRICES

	Country price group							
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)
Flat Rate Envelope	42.85	56.75	62.45	60.95	60.95	65.95	59.80	61.75

PRIORITY MAIL EXPRESS INTERNATIONAL RETAIL PRICES

	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
0.5	45.95	57.50	60.50	69.90	64.95	64.15	64.85	61.95	59.90
1	50.30	59.90	65.00	71.35	66.95	68.20	70.90	67.35	65.05
2	55.65	64.20	70.90	77.00	71.30	73.25	77.80	72.85	70.15
3	61.05	68.55	76.80	82.70	75.65	78.30	84.75	78.40	75.25
4	66.40	72.85	82.70	88.35	80.00	83.30	91.70	83.90	80.35
5	71.75	77.15	88.55	94.00	84.35	88.35	98.60	89.40	85.40
6	77.10	80.20	92.95	99.90	88.70	93.50	105.55	94.85	90.25
7	82.45	83.25	97.25	105.55	93.05	98.65	112.45	100.25	95.05
8	87.85	86.25	101.55	111.25	97.40	103.75	119.40	105.65	99.80
9	93.20	89.30	105.85	116.95	101.75	108.90	126.35	111.10	104.55
10	98.55	92.35	110.20	122.60	106.10	114.05	133.25	116.50	109.35
11	103.80	95.45	114.00	128.35	110.45	119.40	140.05	121.80	114.20
12	108.95	98.50	117.85	134.00	114.80	124.55	147.00	127.20	119.10
13	114.10	101.55	121.65	139.65	119.15	129.70	153.90	132.65	124.00
14	119.25	104.55	125.50	145.25	123.50	134.85	160.80	138.05	128.85
15	124.40	107.60	129.30	150.90	127.85	140.00	167.75	143.45	133.75
16	129.55	110.55	133.15	156.55	132.20	145.20	174.65	148.85	138.60
17	134.70	113.50	136.95	162.15	136.55	150.35	181.60	154.25	143.50
18	139.85	116.40	140.80	167.80	140.90	155.50	188.50	159.70	148.35
19	145.00	119.35	144.60	173.45	145.25	160.65	195.45	165.10	153.25
20	150.15	122.25	148.45	179.05	149.60	165.80	202.35	170.50	158.10
21	155.30	125.20	152.40	184.70	153.95	170.95	209.10	175.10	163.00
22	160.45	128.15	156.25	190.35	158.30	176.10	216.00	180.45	167.90
23	165.60	131.05	160.10	195.95	162.65	181.25	222.90	185.85	172.75
24	170.75	134.00	163.90	201.60	167.00	186.40	229.85	191.25	177.65
25	175.90	136.95	167.75	207.25	171.35	191.55	236.75	196.65	182.50

Maximum weight (pounds)	Country price group								
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	
0.5	69.35	66.95	64.95	66.80	65.95	67.50	66.95	66.95	
1	72.45	69.05	72.45	68.90	67.75	71.25	68.95	68.95	
2	79.10	73.70	78.05	72.35	74.30	75.90	72.20	71.95	
3	85.70	78.35	83.70	75.80	80.80	80.50	75.45	75.00	
4	92.35	82.95	89.30	79.25	87.35	85.15	78.70	78.00	
5	98.95	87.60	94.90	82.70	93.90	89.75	81.95	81.05	
6	106.00	91.15	100.20	86.40	100.90	94.70	85.10	84.15	
7	112.85	94.75	105.55	90.00	107.55	99.40	88.25	87.20	

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
8	119.70	98.30	110.85	93.55	114.20	104.15	91.40	90.25
9	126.55	101.85	116.15	97.10	120.90	108.90	94.55	93.25
10	133.40	105.45	121.45	100.65	127.55	113.65	97.70	96.30
11	140.35	109.00	126.00	104.25	133.90	118.35	101.70	100.05
12	147.30	112.55	130.50	107.80	140.95	123.10	105.50	103.75
13	154.25	116.15	134.95	111.35	148.00	127.85	109.30	107.40
14	161.20	119.70	139.40	114.90	155.05	132.60	113.10	111.10
15	168.15	123.25	143.90	118.45	162.05	137.35	116.90	114.75
16	175.10	126.85	148.35	122.05	169.10	142.05	120.70	118.45
17	182.10	130.40	152.80	125.60	176.15	146.80	124.50	122.10
18	189.05	134.00	157.30	129.15	183.20	151.55	128.30	125.80
19	196.00	137.55	161.75	132.70	190.25	156.30	132.10	129.45
20	202.95	141.10	166.20	136.30	197.30	161.05	135.90	133.15
21	210.10	144.80	170.85	139.85	203.65	165.75	139.70	136.80
22	217.05	148.40	175.30	143.40	209.95	170.50	143.50	140.45
23	224.05	151.95	179.80	146.95	216.25	175.25	147.30	144.15
24	231.00	155.55	184.25	150.50	222.55	180.00	151.10	147.80
25	237.95	159.10	188.75	154.10	228.85	184.70	154.90	151.50

Maximum weight (pounds)	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
26	181.05	139.85	171.55	212.85	175.70	196.70	243.65	202.00	187.40
27	186.20	142.80	175.40	218.50	180.05	201.85	250.60	207.40	192.25
28	191.35	145.70	179.25	224.15	184.40	207.00	257.50	212.80	197.15
29	196.50	148.65	183.05	229.75	188.75	212.15	264.40	218.15	202.00
30	201.60	151.60	186.90	235.40	193.10	217.30	271.35	223.55	206.90
31	205.70	154.50	190.70	240.35	197.45	222.45	278.00	228.95	211.75
32	210.00	157.45	194.55	245.95	201.80	227.60	284.90	234.35	216.65
33	214.25	160.40	198.40	251.60	206.15	232.75	291.80	239.70	221.55
34	218.55	163.30	202.20	257.20	210.50	237.90	298.70	245.10	226.40
35	222.85	166.25	206.05	262.85	214.85	243.05	305.65	250.50	231.30
36	227.10	169.15	209.85	268.45	219.20	248.20	312.55	255.85	236.15
37	231.40	172.10	213.70	274.05	223.55	253.35	319.45	261.25	241.05
38	235.65	175.05	217.55	279.70	227.90	258.50	326.35	266.65	245.90
39	239.95	177.95	221.35	285.30	232.25	263.65	333.25	272.05	250.80
40	244.20	180.90	225.20	290.90	236.60	268.80	340.20	277.40	255.65
41	248.25	183.85	229.25	296.55	241.20	274.20	347.10	282.80	260.80
42	252.55	186.75	233.10	302.15	245.55	279.35	354.00	288.20	265.65
43	256.80	189.70	236.90	307.75	249.90	284.50	360.90	293.55	270.55
44	261.10	192.65	240.75	313.40	254.25	289.65	367.85	298.95	275.45
45	265.35	195.55	244.60	319.00	258.60	294.80	374.75	304.35	280.30
46	269.65	198.50	248.40	324.65	262.95	300.00	381.65	309.70	285.20
47	273.90	201.40	252.25	330.25	267.30	305.15	388.55	315.10	290.10
48	278.20	204.35	256.10	335.85	271.65	310.30	395.45	320.50	294.95
49	282.45	207.30	259.90	341.50	276.00	315.45	402.40	325.90	299.85
50	286.75	210.20	263.75	347.10	280.35	320.60	409.30	331.25	304.75

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
26	244.90	162.65	193.20	157.65	235.15	189.45	158.70	155.15
27	251.90	166.25	197.65	161.20	241.45	194.20	162.50	158.85
28	258.85	169.80	202.15	164.75	247.80	198.95	166.30	162.50
29	265.80	173.40	206.60	168.35	254.10	203.70	170.10	166.20
30	272.75	176.95	211.10	171.90	260.40	208.40	173.90	169.85
31	280.00	180.55	215.55	175.45	266.70	213.15	177.85	173.55
32	286.95	184.10	220.05	179.00	273.00	217.90	181.65	177.20
33	293.95	187.65	224.50	182.55	279.30	222.65	185.45	180.90
34	300.90	191.25	228.95	186.15	285.60	227.40	189.25	184.55
35	307.85	194.80	233.45	189.70	291.90	232.10	193.05	188.25
36	314.85	198.40	237.90	193.25	298.25	236.85	196.85	191.90
37	321.80	201.95	242.40	196.80	304.55	241.60	200.65	195.60
38	328.80	205.50	246.85	200.40	310.85	246.35	204.45	199.25
39	335.75	209.10	251.30	203.95	317.15	251.05	208.25	202.95
40	342.70	212.65	255.80	207.50	323.45	255.80	212.05	206.60
41	350.00	216.45	260.25	211.05	330.10	260.55	215.85	210.50
42	357.00	220.00	264.75	214.60	336.40	265.30	219.65	214.15

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
43	363.95	223.60	269.20	218.20	342.70	270.05	223.45	217.85
44	370.95	227.15	273.70	221.75	349.00	274.75	227.25	221.50
45	377.90	230.75	278.15	225.30	355.35	279.50	231.05	225.20
46	384.90	234.30	282.60	228.85	361.65	284.25	234.85	228.85
47	391.85	237.90	287.10	232.40	367.95	289.00	238.65	232.55
48	398.85	241.45	291.55	236.00	374.25	293.75	242.45	236.25
49	405.80	245.05	296.05	239.55	380.60	298.45	246.30	239.90
50	412.80	248.60	300.50	243.10	386.90	303.20	250.10	243.60

Maximum weight (pounds)	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
51	291.00	213.35	267.60	352.70	284.70	325.75	416.20	336.65	309.90
52	295.30	216.30	271.40	358.35	289.05	330.90	423.10	342.05	314.80
53	299.55	219.20	275.25	363.95	293.40	336.05	430.00	347.40	319.70
54	303.85	222.15	279.10	369.55	297.75	341.20	436.95	352.80	324.55
55	308.10	225.10	282.90	375.20	302.15	346.40	443.85	358.20	329.45
56	312.35	228.00	286.75	380.80	306.50	351.55	450.75	363.60	334.35
57	316.65	230.95	290.60	386.40	310.85	356.70	457.65	368.95	339.20
58	320.90	233.90	294.40	392.05	315.20	361.85	464.55	374.35	344.10
59	325.20	236.80	298.25	397.65	319.55	367.00	471.50	379.75	349.00
60	329.45	239.75	302.10	403.30	323.90	372.15	478.40	385.10	353.90
61	333.75	242.70	305.90	408.90	328.25	377.30	485.30	390.50	358.75
62	338.00	245.60	309.75	414.50	332.60	382.45	492.20	395.90	363.65
63	342.30	248.55	313.60	420.15	336.95	387.60	499.10	401.30	368.55
64	346.55	251.50	317.40	425.75	341.30	392.80	506.05	406.65	373.45
65	350.85	254.45	321.25	431.35	345.65	397.95	512.95	412.05	378.30
66	355.10	257.35	325.10	437.00	350.00	403.10	519.85	417.45	383.20
67 .....	.....	260.30	328.95	442.60	354.35	408.25	526.75	422.80	388.10
68 .....	.....	263.25	332.75	448.20	358.75	413.40	533.65	428.20	393.00
69 .....	.....	266.15	336.60	453.85	363.10	418.55	540.60	433.60	397.85
70 .....	.....	269.10	340.45	459.45	367.45	423.70	547.50	439.00	402.75

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
51	419.75	252.20	304.95	246.90	393.20	307.95	254.10	247.25
52	426.75	255.75	309.45	250.45	399.50	312.70	257.90	250.95
53	433.70	259.35	313.90	254.05	405.85	317.40	261.75	254.60
54	440.70	262.90	318.40	257.60	412.15	322.15	265.55	258.30
55	447.65	266.50	322.85	261.15	418.45	326.90	269.35	261.95
56	454.65	270.05	327.35	264.70	424.75	331.65	273.15	265.65
57	461.60	273.65	331.80	268.30	431.10	336.40	276.95	269.30
58	468.60	277.20	336.25	271.85	437.40	341.10	280.75	273.00
59	475.60	280.80	340.75	275.40	443.70	345.85	284.55	276.70
60	482.55	284.35	345.20	279.00	450.00	350.60	288.35	280.35
61	489.55	287.95	349.70	282.55	456.35	355.35	292.15	284.05
62	496.50	291.50	354.15	286.10	462.65	360.10	296.00	287.70
63	503.50	295.10	358.65	289.65	468.95	364.80	299.80	291.40
64	510.45	298.65	363.10	293.25	475.25	369.55	303.60	295.05
65	517.45	302.25	367.55	296.80	481.60	374.30	307.40	298.75
66	524.40	305.80	372.05	300.35	487.90	379.05	311.20	302.40
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PRIORITY MAIL EXPRESS INTERNATIONAL COMMERCIAL BASE PRICES

Maximum weight (pounds)	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
0.5	42.85	54.48	57.40	66.41	60.99	60.99	61.86	58.74	56.60
1	46.82	56.70	61.69	67.78	62.84	64.86	67.66	64.21	61.40
2	51.81	60.78	67.28	73.16	66.93	69.65	74.27	69.47	66.21
3	56.80	64.86	72.88	78.55	71.01	74.44	80.89	74.74	71.01
4	61.79	68.94	78.47	83.93	75.10	79.22	87.51	80.00	75.81
5	66.78	73.03	84.06	89.33	79.17	84.01	94.12	85.27	80.61
6	71.77	75.90	88.15	94.71	83.26	88.90	100.73	90.44	85.11
7	76.75	78.77	92.23	100.10	87.34	93.79	107.35	95.60	89.61
8	81.75	81.64	96.31	105.48	91.43	98.68	113.96	100.77	94.11
9	86.74	84.52	100.39	110.88	95.50	103.56	120.58	105.93	98.60
10	91.72	87.39	104.48	116.26	99.59	108.46	127.19	111.10	103.10
11	96.05	90.26	108.11	121.59	103.67	113.45	133.94	115.71	107.60
12	100.83	93.13	111.73	126.94	107.76	118.35	140.55	120.86	112.20
13	105.59	96.01	115.36	132.27	111.83	123.23	147.17	125.99	116.79
14	110.35	98.89	118.99	137.61	115.91	128.13	153.79	131.14	121.38
15	115.11	101.75	122.62	142.94	120.00	133.03	160.42	136.27	125.98
16	119.89	104.53	126.25	148.28	124.08	137.92	167.04	141.42	130.58
17	124.65	107.30	129.88	153.62	128.16	142.81	173.66	146.56	135.17
18	129.41	110.07	133.51	158.96	132.24	147.70	180.27	151.70	139.76
19	134.18	112.84	137.13	164.29	136.33	152.60	186.90	156.84	144.36
20	138.95	115.62	140.76	169.63	140.41	157.49	193.52	161.98	148.96
21	143.71	118.39	144.53	174.96	144.49	162.38	200.14	167.12	153.55
22	148.47	121.16	148.16	180.31	148.57	167.28	206.76	172.26	158.14
23	153.24	123.92	151.79	185.64	152.66	172.17	213.39	177.40	162.73
24	158.01	126.70	155.42	190.98	156.74	177.07	220.00	182.55	167.34
25	162.77	129.47	159.06	196.31	160.82	181.95	226.62	187.68	171.93

Maximum weight (pounds)	Country price group								
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	
0.5	65.96	63.44	62.38	63.44	62.45	64.19	62.84	63.50	
1	68.83	65.31	69.48	65.40	64.31	67.84	65.00	65.37	
2	75.12	69.68	74.87	68.68	70.50	72.24	68.07	68.24	
3	81.42	74.06	80.26	71.95	76.71	76.64	71.15	71.11	
4	87.72	78.45	85.65	75.23	82.91	81.05	74.22	73.98	
5	94.00	82.83	91.03	78.49	89.10	85.44	77.28	76.86	
6	100.50	86.20	96.12	81.87	94.96	89.95	80.26	79.66	
7	107.00	89.57	101.21	85.25	101.23	94.44	83.23	82.52	
8	113.49	92.95	106.29	88.62	107.49	98.95	86.20	85.39	
9	119.98	96.32	111.37	91.99	113.76	103.45	89.17	88.27	
10	126.48	99.69	116.46	95.37	120.04	107.96	92.15	91.14	
11	133.07	103.06	120.74	98.74	126.71	112.45	95.81	94.61	
12	139.68	106.45	125.02	102.11	133.37	116.96	99.38	98.08	
13	146.27	109.82	129.30	105.48	140.05	121.46	102.96	101.56	
14	152.86	113.19	133.58	108.86	146.72	125.97	106.55	105.04	
15	159.46	116.56	137.86	112.23	153.39	130.46	110.12	108.50	
16	166.06	119.94	142.14	115.60	160.06	134.97	113.70	111.98	
17	172.65	123.31	146.42	118.97	166.73	139.47	117.27	115.46	
18	179.25	126.68	150.70	122.36	173.41	143.98	120.86	118.93	
19	185.84	130.05	154.98	125.73	180.08	148.47	124.43	122.40	
20	192.44	133.43	159.25	129.10	186.74	152.98	128.01	125.88	
21	199.22	136.67	163.54	132.47	192.72	157.48	131.59	129.35	
22	205.82	140.04	167.82	135.85	198.69	161.99	135.17	132.83	
23	212.42	143.41	172.10	139.22	204.65	166.48	138.75	136.29	
24	219.03	146.79	176.37	142.59	210.62	170.99	142.32	139.77	
25	225.63	150.16	180.66	145.96	216.60	175.49	145.90	143.25	

Maximum weight (pounds)	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
26	167.53	132.24	162.69	201.65	164.90	186.85	233.24	192.83	176.52
27	172.30	135.01	166.32	206.99	168.99	191.74	239.87	197.96	181.11
28	177.07	137.79	169.95	212.33	173.07	196.64	246.49	203.11	185.72
29	181.83	140.56	173.58	217.66	177.14	201.53	253.10	208.24	190.31
30	186.60	143.33	177.22	223.00	181.23	206.42	259.72	213.39	194.90
31	190.56	145.69	181.02	228.33	185.31	211.32	266.35	218.52	199.49

Maximum weight (pounds)	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
32	194.53	148.46	184.65	233.68	189.40	216.21	272.97	223.67	204.10
33	198.49	151.22	188.29	239.01	193.47	221.10	279.59	228.80	208.69
34	202.45	153.98	191.92	244.35	197.56	225.99	286.21	233.95	213.28
35	206.41	156.74	195.56	249.68	201.64	230.89	292.83	239.09	217.87
36	210.38	159.51	199.20	255.03	205.73	235.79	299.45	244.23	222.48
37	214.34	162.28	202.83	260.36	209.80	240.67	306.07	249.37	227.07
38	218.30	165.04	206.47	265.70	213.89	245.57	312.69	254.51	231.66
39	222.26	167.80	210.10	271.03	217.97	250.46	319.32	259.65	236.25
40	226.23	170.57	213.74	276.37	222.06	255.36	325.94	264.79	240.85
41	230.19	173.50	217.37	281.71	226.13	260.00	332.87	269.67	245.22
42	234.15	176.26	221.01	287.05	230.22	264.89	339.49	274.82	249.80
43	238.11	179.02	224.64	292.38	234.30	269.78	346.13	279.95	254.39
44	242.08	181.80	228.28	297.72	238.39	274.67	352.75	285.09	258.99
45	246.04	184.56	231.91	303.05	242.46	279.55	359.37	290.22	263.58
46	250.00	187.33	235.55	308.40	246.54	284.44	366.00	295.36	268.17
47	253.96	190.09	239.19	313.73	250.63	289.33	372.63	300.49	272.75
48	257.93	192.87	242.82	319.07	254.71	294.23	379.26	305.63	277.35
49	261.89	195.63	246.46	324.40	258.79	299.11	385.88	310.76	281.94
50	265.85	198.39	250.09	329.74	262.87	304.00	392.51	315.90	286.53

Maximum weight (pounds)	Country price group								
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	
26	232.23	153.52	184.94	149.34	222.56	180.00	149.48	146.73	
27	238.83	156.89	189.22	152.71	228.53	184.49	153.06	150.19	
28	245.44	160.27	193.49	156.09	234.50	188.99	156.64	153.67	
29	252.04	163.64	197.77	159.46	240.47	193.50	160.21	157.15	
30	258.64	167.00	202.06	162.84	246.44	198.00	163.80	160.62	
31	265.24	170.37	206.34	166.21	252.41	202.50	167.37	164.09	
32	271.85	173.75	210.61	169.58	258.37	207.00	170.95	167.56	
33	278.45	177.12	214.89	172.95	264.35	211.51	174.52	171.04	
34	285.05	180.49	219.18	176.33	270.31	216.01	178.11	174.52	
35	291.65	183.85	223.46	179.70	276.28	220.51	181.69	177.98	
36	298.26	187.23	227.73	183.07	282.25	225.01	185.26	181.46	
37	304.86	190.60	232.01	186.44	288.22	229.52	188.84	184.94	
38	311.46	193.97	236.30	189.82	294.19	234.02	192.42	188.42	
39	318.06	197.33	240.58	193.20	300.16	238.52	196.00	191.88	
40	324.67	200.71	244.85	196.57	306.12	243.02	199.57	195.36	
41	331.58	204.08	249.13	199.94	312.10	246.83	202.96	198.65	
42	338.18	207.45	253.41	203.32	318.07	251.32	206.54	202.12	
43	344.79	210.82	257.70	206.69	324.03	255.80	210.11	205.58	
44	351.41	214.19	261.97	210.06	330.00	260.30	213.69	209.06	
45	358.01	217.56	266.25	213.43	335.98	264.79	217.26	212.53	
46	364.62	220.93	270.53	216.81	341.94	269.28	220.84	216.00	
47	371.22	224.30	274.82	220.18	347.91	273.76	224.41	219.47	
48	377.84	227.67	279.09	223.55	353.88	278.25	227.98	222.94	
49	384.44	231.04	283.37	226.92	359.85	282.75	231.56	226.41	
50	391.05	234.41	287.65	230.31	365.82	287.24	235.14	229.89	

Maximum weight (pounds)	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
51	269.81	200.78	253.73	333.50	266.96	308.60	399.14	321.03	291.12
52	273.78	203.55	257.36	338.81	271.04	313.48	405.77	326.17	295.71
53	277.74	206.31	261.00	344.12	275.12	318.36	412.39	331.30	300.30
54	281.70	209.06	264.63	349.44	279.20	323.25	419.01	336.44	304.89
55	285.66	211.82	268.27	354.74	283.29	328.13	425.65	341.57	309.48
56	289.63	214.59	271.90	360.06	287.37	333.02	432.27	346.72	314.08
57	293.59	217.35	275.54	365.37	291.45	337.90	438.90	351.85	318.66
58	297.55	220.11	279.18	370.68	295.53	342.78	445.52	356.99	323.25
59	301.51	222.87	282.81	375.99	299.62	347.67	452.16	362.12	327.84
60	305.48	225.64	286.45	381.31	303.70	352.56	458.78	367.26	332.44
61	309.44	227.96	290.08	386.62	307.77	357.43	465.41	372.39	337.03
62	313.40	230.72	293.72	391.93	311.86	362.32	472.03	377.53	341.61
63	317.36	233.47	297.35	397.24	315.94	367.21	478.66	382.66	346.20
64	321.33	236.24	300.99	402.56	320.03	372.09	485.29	387.80	350.80
65	325.29	238.99	304.62	407.86	324.10	376.97	491.91	392.93	355.39
66	329.25	241.74	308.26	413.18	328.19	381.85	498.54	398.07	359.98

Maximum weight (pounds)	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
67		244.50	311.89	418.49	332.27	386.74	505.17	403.20	364.56
68		247.26	315.53	423.80	336.36	391.63	511.80	408.34	369.16
69		250.01	319.17	429.11	340.43	396.50	518.42	413.47	373.75
70		252.77	322.80	434.43	344.52	401.39	525.05	418.62	378.34

Maximum weight (pounds)	Country price group								
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	
51	397.66	236.88	291.66	233.46	371.79	291.72	238.04	233.35	
52	404.27	240.24	295.93	236.82	377.75	296.21	241.60	236.82	
53	410.88	243.60	300.21	240.19	383.73	300.71	245.16	240.30	
54	417.48	246.95	304.48	243.57	389.70	305.20	248.73	243.77	
55	424.09	250.31	308.76	246.94	395.66	309.68	252.30	247.23	
56	430.70	253.67	313.03	250.31	401.63	314.17	255.86	250.71	
57	437.31	257.03	317.31	253.67	407.61	318.66	259.42	254.18	
58	443.92	260.38	321.59	257.05	413.57	323.16	262.99	257.65	
59	450.52	263.74	325.86	260.42	419.54	327.64	266.55	261.12	
60	457.14	267.10	330.13	263.79	425.50	332.13	270.12	264.59	
61	463.74	270.46	334.41	267.15	431.48	336.62	273.68	267.81	
62	470.35	273.81	338.69	270.53	437.45	341.11	277.25	271.28	
63	476.95	277.17	342.97	273.90	443.41	345.60	280.81	274.74	
64	483.57	280.54	347.24	277.27	449.38	350.09	284.38	278.21	
65	490.18	283.89	351.51	280.64	455.36	354.58	287.94	281.68	
66	496.78	287.24	355.79	284.01	461.32	359.07	291.51	285.15	
67									
68									
69									
70									

PRIORITY MAIL EXPRESS INTERNATIONAL COMMERCIAL PLUS PRICES

Maximum weight (pounds)	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
0.5	42.85	54.48	57.40	66.41	60.99	60.99	61.86	58.74	56.60
1	46.82	56.70	61.69	67.78	62.84	64.86	67.66	64.21	61.40
2	51.81	60.78	67.28	73.16	66.93	69.65	74.27	69.47	66.21
3	56.80	64.86	72.88	78.55	71.01	74.44	80.89	74.74	71.01
4	61.79	68.94	78.47	83.93	75.10	79.22	87.51	80.00	75.81
5	66.78	73.03	84.06	89.33	79.17	84.01	94.12	85.27	80.61
6	71.77	75.90	88.15	94.71	83.26	88.90	100.73	90.44	85.11
7	76.75	78.77	92.23	100.10	87.34	93.79	107.35	95.60	89.61
8	81.75	81.64	96.31	105.48	91.43	98.68	113.96	100.77	94.11
9	86.74	84.52	100.39	110.88	95.50	103.56	120.58	105.93	98.60
10	91.72	87.39	104.48	116.26	99.59	108.46	127.19	111.10	103.10
11	96.05	90.26	108.11	121.59	103.67	113.45	133.94	115.71	107.60
12	100.83	93.13	111.73	126.94	107.76	118.35	140.55	120.86	112.20
13	105.59	96.01	115.36	132.27	111.83	123.23	147.17	125.99	116.79
14	110.35	98.89	118.99	137.61	115.91	128.13	153.79	131.14	121.38
15	115.11	101.75	122.62	142.94	120.00	133.03	160.42	136.27	125.98
16	119.89	104.53	126.25	148.28	124.08	137.92	167.04	141.42	130.58
17	124.65	107.30	129.88	153.62	128.16	142.81	173.66	146.56	135.17
18	129.41	110.07	133.51	158.96	132.24	147.70	180.27	151.70	139.76
19	134.18	112.84	137.13	164.29	136.33	152.60	186.90	156.84	144.36
20	138.95	115.62	140.76	169.63	140.41	157.49	193.52	161.98	148.96
21	143.71	118.39	144.53	174.96	144.49	162.38	200.14	167.12	153.55
22	148.47	121.16	148.16	180.31	148.57	167.28	206.76	172.26	158.14
23	153.24	123.92	151.79	185.64	152.66	172.17	213.39	177.40	162.73
24	158.01	126.70	155.42	190.98	156.74	177.07	220.00	182.55	167.34
25	162.77	129.47	159.06	196.31	160.82	181.95	226.62	187.68	171.93

Maximum weight (pounds)	Country price group								
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	
0.5	65.96	63.44	62.38	63.44	62.45	64.19	62.84	63.50	

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
1	68.83	65.31	69.48	65.40	64.31	67.84	65.00	65.37
2	75.12	69.68	74.87	68.68	70.50	72.24	68.07	68.24
3	81.42	74.06	80.26	71.95	76.71	76.64	71.15	71.11
4	87.72	78.45	85.65	75.23	82.91	81.05	74.22	73.98
5	94.00	82.83	91.03	78.49	89.10	85.44	77.28	76.86
6	100.50	86.20	96.12	81.87	94.96	89.95	80.26	79.66
7	107.00	89.57	101.21	85.25	101.23	94.44	83.23	82.52
8	113.49	92.95	106.29	88.62	107.49	98.95	86.20	85.39
9	119.98	96.32	111.37	91.99	113.76	103.45	89.17	88.27
10	126.48	99.69	116.46	95.37	120.04	107.96	92.15	91.14
11	133.07	103.06	120.74	98.74	126.71	112.45	95.81	94.61
12	139.68	106.45	125.02	102.11	133.37	116.96	99.38	98.08
13	146.27	109.82	129.30	105.48	140.05	121.46	102.96	101.56
14	152.86	113.19	133.58	108.86	146.72	125.97	106.55	105.04
15	159.46	116.56	137.86	112.23	153.39	130.46	110.12	108.50
16	166.06	119.94	142.14	115.60	160.06	134.97	113.70	111.98
17	172.65	123.31	146.42	118.97	166.73	139.47	117.27	115.46
18	179.25	126.68	150.70	122.36	173.41	143.98	120.86	118.93
19	185.84	130.05	154.98	125.73	180.08	148.47	124.43	122.40
20	192.44	133.43	159.25	129.10	186.74	152.98	128.01	125.88
21	199.22	136.67	163.54	132.47	192.72	157.48	131.59	129.35
22	205.82	140.04	167.82	135.85	198.69	161.99	135.17	132.83
23	212.42	143.41	172.10	139.22	204.65	166.48	138.75	136.29
24	219.03	146.79	176.37	142.59	210.62	170.99	142.32	139.77
25	225.63	150.16	180.66	145.96	216.60	175.49	145.90	143.25

Maximum weight (pounds)	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
26	167.53	132.24	162.69	201.65	164.90	186.85	233.24	192.83	176.52
27	172.30	135.01	166.32	206.99	168.99	191.74	239.87	197.96	181.11
28	177.07	137.79	169.95	212.33	173.07	196.64	246.49	203.11	185.72
29	181.83	140.56	173.58	217.66	177.14	201.53	253.10	208.24	190.31
30	186.60	143.33	177.22	223.00	181.23	206.42	259.72	213.39	194.90
31	190.56	145.69	181.02	228.33	185.31	211.32	266.35	218.52	199.49
32	194.53	148.46	184.65	233.68	189.40	216.21	272.97	223.67	204.10
33	198.49	151.22	188.29	239.01	193.47	221.10	279.59	228.80	208.69
34	202.45	153.98	191.92	244.35	197.56	225.99	286.21	233.95	213.28
35	206.41	156.74	195.56	249.68	201.64	230.89	292.83	239.09	217.87
36	210.38	159.51	199.20	255.03	205.73	235.79	299.45	244.23	222.48
37	214.34	162.28	202.83	260.36	209.80	240.67	306.07	249.37	227.07
38	218.30	165.04	206.47	265.70	213.89	245.57	312.69	254.51	231.66
39	222.26	167.80	210.10	271.03	217.97	250.46	319.32	259.65	236.25
40	226.23	170.57	213.74	276.37	222.06	255.36	325.94	264.79	240.85
41	230.19	173.50	217.37	281.71	226.13	260.00	332.87	269.67	245.22
42	234.15	176.26	221.01	287.05	230.22	264.89	339.49	274.82	249.80
43	238.11	179.02	224.64	292.38	234.30	269.78	346.13	279.95	254.39
44	242.08	181.80	228.28	297.72	238.39	274.67	352.75	285.09	258.99
45	246.04	184.56	231.91	303.05	242.46	279.55	359.37	290.22	263.58
46	250.00	187.33	235.55	308.40	246.54	284.44	366.00	295.36	268.17
47	253.96	190.09	239.19	313.73	250.63	289.33	372.63	300.49	272.75
48	257.93	192.87	242.82	319.07	254.71	294.23	379.26	305.63	277.35
49	261.89	195.63	246.46	324.40	258.79	299.11	385.88	310.76	281.94
50	265.85	198.39	250.09	329.74	262.87	304.00	392.51	315.90	286.53

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
26	232.23	153.52	184.94	149.34	222.56	180.00	149.48	146.73
27	238.83	156.89	189.22	152.71	228.53	184.49	153.06	150.19
28	245.44	160.27	193.49	156.09	234.50	188.99	156.64	153.67
29	252.04	163.64	197.77	159.46	240.47	193.50	160.21	157.15
30	258.64	167.00	202.06	162.84	246.44	198.00	163.80	160.62
31	265.24	170.37	206.34	166.21	252.41	202.50	167.37	164.09
32	271.85	173.75	210.61	169.58	258.37	207.00	170.95	167.56
33	278.45	177.12	214.89	172.95	264.35	211.51	174.52	171.04
34	285.05	180.49	219.18	176.33	270.31	216.01	178.11	174.52
35	291.65	183.85	223.46	179.70	276.28	220.51	181.69	177.98

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
36	298.26	187.23	227.73	183.07	282.25	225.01	185.26	181.46
37	304.86	190.60	232.01	186.44	288.22	229.52	188.84	184.94
38	311.46	193.97	236.30	189.82	294.19	234.02	192.42	188.42
39	318.06	197.33	240.58	193.20	300.16	238.52	196.00	191.88
40	324.67	200.71	244.85	196.57	306.12	243.02	199.57	195.36
41	331.58	204.08	249.13	199.94	312.10	246.83	202.96	198.65
42	338.18	207.45	253.41	203.32	318.07	251.32	206.54	202.12
43	344.79	210.82	257.70	206.69	324.03	255.80	210.11	205.58
44	351.41	214.19	261.97	210.06	330.00	260.30	213.69	209.06
45	358.01	217.56	266.25	213.43	335.98	264.79	217.26	212.53
46	364.62	220.93	270.53	216.81	341.94	269.28	220.84	216.00
47	371.22	224.30	274.82	220.18	347.91	273.76	224.41	219.47
48	377.84	227.67	279.09	223.55	353.88	278.25	227.98	222.94
49	384.44	231.04	283.37	226.92	359.85	282.75	231.56	226.41
50	391.05	234.41	287.65	230.31	365.82	287.24	235.14	229.89

Maximum weight (pounds)	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
51	269.81	200.78	253.73	333.50	266.96	308.60	399.14	321.03	291.12
52	273.78	203.55	257.36	338.81	271.04	313.48	405.77	326.17	295.71
53	277.74	206.31	261.00	344.12	275.12	318.36	412.39	331.30	300.30
54	281.70	209.06	264.63	349.44	279.20	323.25	419.01	336.44	304.89
55	285.66	211.82	268.27	354.74	283.29	328.13	425.65	341.57	309.48
56	289.63	214.59	271.90	360.06	287.37	333.02	432.27	346.72	314.08
57	293.59	217.35	275.54	365.37	291.45	337.90	438.90	351.85	318.66
58	297.55	220.11	279.18	370.68	295.53	342.78	445.52	356.99	323.25
59	301.51	222.87	282.81	375.99	299.62	347.67	452.16	362.12	327.84
60	305.48	225.64	286.45	381.31	303.70	352.56	458.78	367.26	332.44
61	309.44	227.96	290.08	386.62	307.77	357.43	465.41	372.39	337.03
62	313.40	230.72	293.72	391.93	311.86	362.32	472.03	377.53	341.61
63	317.36	233.47	297.35	397.24	315.94	367.21	478.66	382.66	346.20
64	321.33	236.24	300.99	402.56	320.03	372.09	485.29	387.80	350.80
65	325.29	238.99	304.62	407.86	324.10	376.97	491.91	392.93	355.39
66	329.25	241.74	308.26	413.18	328.19	381.85	498.54	398.07	359.98
67 .....	.....	244.50	311.89	418.49	332.27	386.74	505.17	403.20	364.56
68 .....	.....	247.26	315.53	423.80	336.36	391.63	511.80	408.34	369.16
69 .....	.....	250.01	319.17	429.11	340.43	396.50	518.42	413.47	373.75
70 .....	.....	252.77	322.80	434.43	344.52	401.39	525.05	418.62	378.34

Maximum weight (pounds)	Country price group								
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	
51	397.66	236.88	291.66	233.46	371.79	291.72	238.04	233.35	
52	404.27	240.24	295.93	236.82	377.75	296.21	241.60	236.82	
53	410.88	243.60	300.21	240.19	383.73	300.71	245.16	240.30	
54	417.48	246.95	304.48	243.57	389.70	305.20	248.73	243.77	
55	424.09	250.31	308.76	246.94	395.66	309.68	252.30	247.23	
56	430.70	253.67	313.03	250.31	401.63	314.17	255.86	250.71	
57	437.31	257.03	317.31	253.67	407.61	318.66	259.42	254.18	
58	443.92	260.38	321.59	257.05	413.57	323.16	262.99	257.65	
59	450.52	263.74	325.86	260.42	419.54	327.64	266.55	261.12	
60	457.14	267.10	330.13	263.79	425.50	332.13	270.12	264.59	
61	463.74	270.46	334.41	267.15	431.48	336.62	273.68	267.81	
62	470.35	273.81	338.69	270.53	437.45	341.11	277.25	271.28	
63	476.95	277.17	342.97	273.90	443.41	345.60	280.81	274.74	
64	483.57	280.54	347.24	277.27	449.38	350.09	284.38	278.21	
65	490.18	283.89	351.51	280.64	455.36	354.58	287.94	281.68	
66	496.78	287.24	355.79	284.01	461.32	359.07	291.51	285.15	
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Pickup On Demand Service

Add ~~\$23.00~~\$24.00 for each Pickup On Demand stop.

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2315 Outbound Priority Mail International

2315.6 Prices

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PRIORITY MAIL INTERNATIONAL FLAT RATE RETAIL PRICES

	Country price group							
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)
Flat Rate Envelopes	26.90	33.75	35.35	37.45	36.45	38.60	36.45	37.45
Small Flat Rate Boxes	27.90	35.35	36.45	38.60	37.45	39.60	37.45	38.60
Medium Flat Rate Boxes	51.55	75.95	77.50	75.35	79.65	86.40	78.60	81.75
Large Flat Rate Boxes	67.05	99.10	101.20	99.10	103.35	109.15	102.35	107.05

PRIORITY MAIL INTERNATIONAL FLAT RATE COMMERCIAL BASE PRICES

	Country price group							
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)
Flat Rate Envelopes	25.55	32.05	33.60	35.60	34.65	36.65	34.65	35.60
Small Flat Rate Boxes	26.50	33.60	34.65	36.65	35.60	37.60	35.60	36.65
Medium Flat Rate Boxes	48.95	72.15	73.65	71.60	75.65	82.10	74.65	77.65
Large Flat Rate Boxes	63.70	94.15	96.15	94.15	98.20	103.70	97.25	101.70

PRIORITY MAIL INTERNATIONAL FLAT RATE COMMERCIAL PLUS PRICES

	Country price group							
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)
Flat Rate Envelopes	25.55	32.05	33.60	35.60	34.65	36.65	34.65	35.60
Small Flat Rate Boxes	26.50	33.60	34.65	36.65	35.60	37.60	35.60	36.65
Medium Flat Rate Boxes	48.95	72.15	73.65	71.60	75.65	82.10	74.65	77.65
Large Flat Rate Boxes	63.70	94.15	96.15	94.15	98.20	103.70	97.25	101.70

PRIORITY MAIL INTERNATIONAL PARCELS RETAIL PRICES

Maximum weight (pounds)	Country price group ¹						
	Origin Zone 1.1 & 1.2 (\$)	Origin Zone 1.3 (\$)	Origin Zone 1.4 (\$)	Origin Zone 1.5 (\$)	Origin Zone 1.6 (\$)	Origin Zone 1.7 (\$)	Origin Zone 1.8 (\$)
1	36.35	37.40	40.15	41.50	42.85	43.50	44.00
2	39.30	40.55	43.25	44.80	46.30	46.85	47.45
3	42.20	43.70	46.35	48.10	49.80	50.15	50.85
4	45.10	46.90	49.50	51.45	53.40	53.45	54.30
5	48.00	50.15	52.60	54.85	56.85	56.80	57.70
6	50.90	53.20	55.80	58.15	60.00	60.30	61.55
7	53.85	56.20	59.15	61.50	63.20	63.75	65.30
8	56.85	59.20	62.35	64.80	66.35	67.15	69.00
9	59.75	62.20	65.55	68.15	69.50	70.55	72.75
10	62.65	65.25	68.80	71.45	72.65	74.00	76.60
11	65.50	68.25	71.80	74.75	76.15	77.75	80.30
12	68.30	71.25	74.80	78.10	79.60	81.45	84.05
13	71.10	74.25	77.85	81.40	83.10	85.20	87.75
14	73.90	77.30	80.85	84.70	86.55	89.05	91.50
15	76.70	80.30	83.85	88.05	90.05	92.75	95.20
16	79.50	83.30	86.85	91.35	93.60	96.50	98.95
17	82.35	86.30	89.90	94.70	97.10	100.25	102.65
18	85.15	89.00	92.90	98.00	100.55	104.10	106.40
19	87.95	91.70	95.90	101.30	104.05	107.80	110.10
20	90.85	94.40	99.00	104.75	107.50	111.55	113.85
21	93.65	97.10	102.05	108.05	111.00	115.30	117.55
22	96.50	99.80	105.05	111.35	114.45	119.15	121.30
23	99.30	102.50	108.05	114.70	118.05	122.85	125.05
24	102.75	105.20	111.05	118.00	121.20	126.60	128.75
25	104.95	107.90	114.10	121.35	124.25	130.35	132.50

Maximum weight (pounds)	Country price group							
	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
1	44.50	48.35	54.75	50.90	52.45	54.60	49.40	47.15
2	48.45	54.15	60.55	54.65	57.25	61.05	54.25	52.25
3	52.40	59.85	66.45	58.30	61.90	67.45	59.10	57.30
4	56.35	65.55	72.25	61.95	66.55	73.85	64.00	62.50
5	60.30	71.25	78.05	65.60	71.25	80.40	68.95	67.60
6	63.20	74.90	83.45	68.55	75.20	86.80	73.10	71.55
7	66.25	78.55	88.85	71.45	79.15	93.25	77.25	75.50
8	69.15	82.15	94.20	74.35	83.05	99.65	81.40	79.45
9	72.10	85.80	99.70	77.30	87.00	106.20	85.60	83.50
10	75.00	89.45	105.10	80.20	90.95	112.60	89.75	87.50
11	77.65	93.10	110.50	83.25	95.50	119.10	94.20	91.10
12	80.25	96.85	115.90	86.25	100.10	125.60	98.65	94.75
13	82.90	100.50	121.30	89.30	104.65	132.10	103.15	98.40
14	85.50	104.15	126.65	92.30	109.25	138.65	107.70	102.05
15	88.10	107.75	132.15	95.35	113.90	145.15	112.20	105.70
16	90.75	111.40	137.55	98.35	118.50	151.65	116.65	109.25
17	93.35	115.05	142.95	101.40	123.05	158.15	121.10	112.75
18	95.95	118.70	148.35	104.40	127.60	164.70	125.60	116.30
19	98.70	122.35	153.70	107.55	132.20	171.20	130.15	119.85
20	101.30	126.00	159.10	110.60	136.75	177.70	134.65	123.40
21	103.95	129.60	164.60	113.60	141.45	184.20	139.10	126.90
22	106.55	133.25	170.00	116.65	146.00	190.75	143.55	130.45
23	109.15	136.90	175.40	119.65	150.60	197.25	148.05	134.10
24	111.80	140.55	180.80	122.70	155.15	203.85	152.60	137.65
25	114.40	144.20	186.15	125.70	159.75	210.35	157.10	141.20

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
1	54.10	56.15	55.00	46.10	53.45	49.20	46.90	45.35
2	59.10	61.15	58.95	50.60	58.65	53.30	50.95	49.80
3	64.05	66.10	63.05	55.20	63.80	57.40	55.15	54.30
4	69.05	71.10	67.00	59.65	69.00	61.50	59.20	58.75
5	74.00	76.10	70.95	64.15	74.30	65.60	63.25	63.35
6	79.70	79.50	74.25	67.90	78.35	69.85	67.10	66.35
7	85.40	82.95	77.60	71.55	82.40	73.95	70.95	69.40
8	91.10	86.35	80.95	75.20	86.45	78.05	74.90	72.40
9	96.80	89.80	84.30	78.85	90.55	82.15	78.80	75.45
10	102.60	93.20	87.60	82.60	94.70	86.25	82.65	78.50
11	108.20	96.65	91.05	85.20	98.75	90.85	84.75	81.30
12	113.80	100.10	94.40	87.90	102.80	95.40	86.85	84.10
13	119.35	103.55	97.70	90.60	106.90	100.10	88.90	86.95
14	124.95	106.95	101.05	93.35	111.05	104.65	91.00	89.90
15	130.55	110.40	104.40	96.05	115.10	109.20	93.10	92.70
16	136.25	113.85	107.75	98.75	118.75	113.80	95.20	95.50
17	141.85	117.30	111.05	101.45	122.40	118.35	97.30	98.35
18	147.45	120.70	114.40	104.20	126.05	123.05	99.40	101.15
19	153.05	124.15	117.75	106.90	129.65	127.60	101.50	104.00
20	158.65	127.70	121.05	109.60	133.30	132.20	103.50	106.80
21	164.25	131.15	124.40	112.20	136.95	136.75	105.60	109.65
22	169.95	134.55	127.75	114.95	140.60	141.35	107.70	112.45
23	175.55	138.00	131.05	117.65	144.25	146.00	109.80	115.30
24	181.10	141.45	134.40	120.35	147.90	150.60	111.90	118.10
25	186.70	144.90	137.75	123.05	151.50	155.15	114.00	120.95

Maximum weight (pounds)	Country price group ¹							
	Origin Zone 1.1 & 1.2 (\$)	Origin Zone 1.3 (\$)	Origin Zone 1.4 (\$)	Origin Zone 1.5 (\$)	Origin Zone 1.6 (\$)	Origin Zone 1.7 (\$)	Origin Zone 1.8 (\$)	
26	107.10	110.60	117.10	124.55	127.45	133.65	136.30	
27	109.30	113.30	120.10	127.75	130.60	136.95	140.05	
28	111.50	116.00	123.15	131.00	133.75	140.25	143.75	
29	113.70	118.70	126.15	134.20	136.90	143.55	147.50	
30	115.85	121.40	129.15	137.40	140.05	146.85	151.20	
31	118.05	124.10	132.15	140.65	143.25	150.05	154.95	
32	120.25	126.80	135.20	143.85	146.40	153.40	158.65	
33	122.45	129.50	138.20	147.05	149.55	156.70	162.40	

Maximum weight (pounds)	Country price group ¹						
	Origin Zone 1.1 & 1.2 (\$)	Origin Zone 1.3 (\$)	Origin Zone 1.4 (\$)	Origin Zone 1.5 (\$)	Origin Zone 1.6 (\$)	Origin Zone 1.7 (\$)	Origin Zone 1.8 (\$)
34	124.65	132.20	141.30	150.30	152.70	160.00	166.10
35	126.80	134.90	144.30	153.60	155.90	163.30	169.85
36	129.00	137.50	147.35	156.80	159.05	166.60	173.55
37	131.20	140.20	150.35	160.05	162.20	169.95	177.30
38	133.30	142.90	153.35	163.25	165.35	173.25	181.00
39	135.50	145.65	156.35	166.45	168.55	176.55	184.75
40	137.65	148.35	159.40	169.70	171.70	179.85	188.45
41	139.85	151.05	162.40	172.90	174.85	183.20	192.20
42	142.05	153.75	165.40	176.10	178.00	186.50	195.90
43	144.25	156.45	168.40	179.35	181.20	189.70	199.75
44	146.45	159.15	171.45	182.55	184.35	193.00	203.50
45	148.65	161.85	174.45	185.75	187.50	196.30	207.20
46	150.80	164.55	177.45	189.00	190.65	199.65	210.95
47	153.00	167.25	180.60	192.20	193.85	202.95	214.65
48	155.20	169.95	183.60	195.40	197.00	206.25	218.40
49	157.40	172.65	186.60	198.75	200.15	209.55	222.10
50	159.60	175.35	189.60	201.95	203.30	212.90	225.85

Maximum weight (pounds)	Country price group							
	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
26	117.00	147.85	191.55	128.75	164.40	216.90	161.55	144.70
27	119.65	151.45	197.05	131.80	168.95	223.40	166.00	148.25
28	122.25	155.10	202.45	134.80	173.55	229.90	170.50	151.80
29	124.85	158.85	207.85	137.85	178.10	236.40	175.05	155.35
30	127.50	162.50	213.20	140.85	182.70	242.95	179.55	158.90
31	130.20	166.15	218.60	143.90	187.35	249.45	184.00	162.40
32	132.85	169.80	224.10	147.00	191.95	255.95	188.45	165.95
33	135.45	173.40	229.50	150.05	196.50	262.45	192.95	169.50
34	138.05	177.05	234.90	153.05	201.10	269.00	197.50	173.05
35	140.70	180.70	240.30	156.10	205.65	275.50	202.00	176.60
36	143.30	184.35	245.65	159.15	210.35	282.00	206.45	180.10
37	145.90	188.00	251.05	162.15	214.90	288.50	210.90	183.65
38	148.55	191.65	256.55	165.20	219.45	295.05	215.40	187.20
39	151.15	195.30	261.95	168.20	224.05	301.65	219.95	190.85
40	153.80	198.90	267.35	171.25	228.60	308.15	224.45	194.40
41	156.40	202.55	272.70	174.25	233.30	314.65	228.90	197.90
42	159.10	206.20	278.10	177.30	237.85	321.20	233.35	201.45
43	161.75	209.85	283.50	180.30	242.45	327.70	237.85	205.00
44	164.35	213.50	289.00	183.35	247.00	334.20	242.40	208.55
45	166.95	217.15	294.40	186.40	251.60	340.70	246.90	212.10
46	169.60	220.85	299.80	189.50	256.25	347.25	251.35	215.60
47	172.20	224.50	305.15	192.55	260.85	353.75	255.80	219.15
48	174.85	228.15	310.55	195.55	265.40	360.25	260.30	222.70
49	177.45	231.80	315.95	198.60	269.95	366.75	264.85	226.25
50	180.05	235.45	321.45	201.60	274.55	373.30	269.35	229.75

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
26	192.30	148.30	141.20	125.80	155.15	159.70	116.10	123.85
27	197.90	151.75	144.50	128.50	158.80	164.30	118.20	126.70
28	203.60	155.20	147.85	131.20	162.45	168.95	120.30	129.50
29	209.20	158.65	151.20	133.90	166.20	173.55	122.40	132.30
30	214.80	162.05	154.50	136.65	169.85	178.10	124.50	135.15
31	220.40	165.50	157.85	139.35	173.45	182.70	126.60	137.95
32	226.00	168.95	161.20	142.05	177.10	187.25	128.70	140.80
33	231.60	172.40	164.50	144.80	180.75	191.95	130.80	143.60
34	237.30	175.80	167.85	147.50	184.40	196.50	132.90	146.45
35	242.85	179.35	171.20	150.20	188.05	201.05	135.00	149.25
36	248.45	182.80	174.50	152.90	191.70	205.65	137.10	152.10
37	254.05	186.25	177.85	155.65	195.30	210.20	139.20	154.90
38	259.65	189.65	181.20	158.35	198.95	214.90	141.30	157.85
39	265.25	193.10	184.55	161.05	202.60	219.45	143.40	160.65
40	270.95	196.55	187.85	163.80	206.25	224.05	145.50	163.50
41	276.55	200.20	191.30	166.50	209.90	228.60	147.60	166.30

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
42	282.15	203.85	194.65	169.20	213.55	233.30	149.70	169.15
43	287.75	207.50	197.95	171.90	217.15	237.85	151.80	171.95
44	293.35	211.25	201.30	174.65	220.80	242.45	153.90	174.75
45	298.90	214.90	204.65	177.35	224.45	247.00	156.00	177.60
46	304.60	218.55	207.95	179.95	228.10	251.55	158.10	180.40
47	310.20	222.20	211.30	182.70	231.85	256.25	160.20	183.25
48	315.80	225.95	214.65	185.40	235.50	260.80	162.30	186.05
49	321.40	229.60	218.00	188.10	239.15	265.40	164.30	188.90
50	327.00	233.25	221.30	190.80	242.75	269.95	166.40	191.70

Maximum weight (pounds)	Country price group ¹							
	Origin Zone 1.1 & 1.2 (\$)	Origin Zone 1.3 (\$)	Origin Zone 1.4 (\$)	Origin Zone 1.5 (\$)	Origin Zone 1.6 (\$)	Origin Zone 1.7 (\$)	Origin Zone 1.8 (\$)	
51	161.80	178.05	192.65	204.95	206.45	216.20	229.55	
52	163.95	180.75	195.65	207.95	209.65	219.50	233.30	
53	166.15	183.45	198.65	211.00	212.80	222.80	237.00	
54	168.35	186.15	201.65	214.00	215.95	226.15	240.75	
55	170.55	188.85	204.70	217.00	219.10	229.45	244.45	
56	172.75	191.55	207.70	220.05	222.30	232.75	248.20	
57	174.95	194.25	210.70	223.05	225.45	236.05	251.90	
58	177.10	196.95	213.70	226.05	228.70	239.40	255.65	
59	179.30	199.65	216.75	229.05	231.90	242.70	259.35	
60	181.50	202.35	219.85	232.10	235.05	246.00	263.10	
61	183.70	205.05	222.85	235.10	238.20	249.30	266.90	
62	185.90	207.75	225.85	238.20	241.35	252.65	270.65	
63	188.10	210.45	228.90	241.20	244.55	255.85	274.35	
64	190.25	213.20	231.90	244.25	247.70	259.15	278.10	
65	192.45	215.90	234.90	247.25	250.85	262.45	281.85	
66	194.65	218.60	237.95	250.25	254.00	265.80	285.55	
67 .....	.....	.....	.....	.....	.....	.....	.....
68 .....	.....	.....	.....	.....	.....	.....	.....
69 .....	.....	.....	.....	.....	.....	.....	.....
70 .....	.....	.....	.....	.....	.....	.....	.....

Maximum weight (pounds)	Country price group							
	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
51	182.70	239.10	326.85	204.65	279.20	379.80	273.80	233.30
52	185.30	242.70	332.20	207.70	283.80	386.30	278.30	236.85
53	188.05	246.35	337.60	210.70	288.35	392.90	282.85	240.40
54	190.65	250.00	343.00	213.75	292.95	399.45	287.30	243.95
55	193.25	253.65	348.40	216.75	297.60	405.95	291.80	247.60
56	195.90	257.30	353.90	219.80	302.20	412.45	296.25	251.10
57	198.50	260.95	359.30	222.80	306.75	418.95	300.75	254.65
58	201.10	264.55	364.65	225.85	311.30	425.50	305.30	258.20
59	203.75	268.20	370.05	228.95	315.90	432.00	309.75	261.75
60	206.35	271.85	375.45	232.00	320.55	438.50	314.25	265.25
61	208.95	275.50	380.95	235.05	325.15	445.00	318.70	268.80
62	211.60	279.25	386.35	238.05	329.70	451.55	323.20	272.35
63	214.20	282.90	391.70	241.10	334.30	458.05	327.75	275.90
64	216.95	286.55	397.10	244.10	338.85	464.55	332.25	279.45
65	219.55	290.15	402.50	247.15	343.55	471.05	336.70	282.95
66	222.15	293.80	407.90	250.15	348.10	477.60	341.15	286.50
67	224.80	297.45	413.40	253.20	352.70	484.20	345.65	290.05
68	227.40	301.10	418.80	256.20	357.25	490.70	350.20	293.60
69	230.00	304.75	424.15	259.25	361.80	497.25	354.70	297.15
70	232.65	308.40	429.55	262.30	366.50	503.75	359.15	300.65

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
51	332.60	236.90	224.65	193.55	246.40	274.55	168.50	194.65
52	338.20	240.55	228.00	196.25	250.05	279.20	170.60	197.45
53	343.90	244.30	231.30	198.95	253.70	283.80	172.70	200.30
54	349.50	247.95	234.65	201.70	257.35	288.35	174.80	203.10

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
55	355.10	251.60	238.00	204.40	261.00	292.95	176.90	205.95
56	360.65	255.25	241.45	207.10	264.60	297.50	179.00	208.75
57	366.25	259.00	244.75	209.85	268.25	302.20	181.10	211.60
58	371.85	262.65	248.10	212.55	271.90	306.75	183.20	214.40
59	377.55	266.30	251.45	215.25	275.55	311.30	185.30	217.20
60	383.15	269.95	254.75	218.00	279.20	315.90	187.40	220.05
61	388.75	273.60	258.10	220.70	282.85	320.45	189.50	222.85
62	394.35	277.35	261.45	223.40	286.45	325.15	191.60	225.70
63	399.95	281.00	264.75	226.10	290.10	329.70	193.70	228.60
64	405.55	284.65	268.10	228.85	293.85	334.30	195.80	231.45
65	411.25	288.30	271.45	231.55	297.50	338.85	197.90	234.25
66	416.85	292.10	274.75	234.25	301.15	343.45	200.00	237.10
67							202.10	
68							204.20	
69							206.30	
70							208.40	

Notes:

¹The applicable Origin Zone for pieces destined to Canada is based on the applicable zone from the origin point to the serving International Service Center (ISC). In future releases, distance to and within Canada could be considered for application of the appropriate Origin Zone group.

PRIORITY MAIL INTERNATIONAL PARCELS COMMERCIAL BASE PRICES

Maximum weight (pounds)	Country price group ¹							
	Origin Zone 1.1 & 1.2 (\$)	Origin Zone 1.3 (\$)	Origin Zone 1.4 (\$)	Origin Zone 1.5 (\$)	Origin Zone 1.6 (\$)	Origin Zone 1.7 (\$)	Origin Zone 1.8 (\$)	
1	34.53	35.53	38.14	39.43	40.71	41.33	41.80	
2	37.34	38.52	41.09	42.56	43.99	44.51	45.08	
3	40.09	41.52	44.03	45.70	47.31	47.64	48.31	
4	42.85	44.56	47.03	48.88	50.73	50.78	51.59	
5	45.60	47.64	49.97	52.11	54.01	53.96	54.82	
6	48.36	50.54	53.01	55.24	57.00	57.29	58.47	
7	51.16	53.39	56.19	58.43	60.04	60.56	62.04	
8	54.01	56.24	59.23	61.56	63.03	63.79	65.55	
9	56.76	59.09	62.27	64.74	66.03	67.02	69.11	
10	59.52	61.99	65.36	67.88	69.02	70.30	72.77	
11	62.23	64.84	68.21	71.01	72.34	73.86	76.29	
12	64.89	67.69	71.06	74.20	75.62	77.38	79.85	
13	67.55	70.54	73.96	77.33	78.95	80.94	83.36	
14	70.21	73.44	76.81	80.47	82.22	84.60	86.93	
15	72.87	76.29	79.66	83.65	85.55	88.11	90.44	
16	75.53	79.14	82.51	86.78	88.92	91.68	94.00	
17	78.23	81.99	85.41	89.97	92.25	95.24	97.52	
18	80.89	84.55	88.26	93.10	95.52	98.90	101.08	
19	83.55	87.12	91.11	96.24	98.85	102.41	104.60	
20	86.31	89.68	94.05	99.51	102.13	105.97	108.16	
21	88.97	92.25	96.95	102.65	105.45	109.54	111.67	
22	91.68	94.81	99.80	105.78	108.73	113.19	115.24	
23	94.34	97.38	102.65	108.97	112.15	116.71	118.80	
24	97.61	99.94	105.50	112.10	115.14	120.27	122.31	
25	99.70	102.51	108.40	115.28	118.04	123.83	125.88	

Maximum weight (pounds)	Country price group							
	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
1	42.28	45.93	52.01	48.36	49.83	51.87	46.93	44.79
2	46.03	51.44	57.52	51.92	54.39	58.00	51.54	49.64
3	49.78	56.86	63.13	55.39	58.81	64.08	56.15	54.44
4	53.53	62.27	68.64	58.85	63.22	70.16	60.80	59.38
5	57.29	67.69	74.15	62.32	67.69	76.38	65.50	64.22
6	60.04	71.16	79.28	65.12	71.44	82.46	69.45	67.97
7	62.94	74.62	84.41	67.88	75.19	88.59	73.39	71.73
8	65.69	78.04	89.49	70.63	78.90	94.67	77.33	75.48
9	68.50	81.51	94.72	73.44	82.65	100.89	81.32	79.33
10	71.25	84.98	99.85	76.19	86.40	106.97	85.26	83.13
11	73.77	88.45	104.98	79.09	90.73	113.15	89.49	86.55

Maximum weight (pounds)	Country price group							
	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
12	76.24	92.01	110.11	81.94	95.10	119.32	93.72	90.01
13	78.76	95.48	115.24	84.84	99.42	125.50	97.99	93.48
14	81.23	98.94	120.32	87.69	103.79	131.72	102.32	96.95
15	83.70	102.36	125.54	90.58	108.21	137.89	106.59	100.42
16	86.21	105.83	130.67	93.43	112.58	144.07	110.82	103.79
17	88.68	109.30	135.80	96.33	116.90	150.24	115.05	107.11
18	91.15	112.77	140.93	99.18	121.22	156.47	119.32	110.49
19	93.77	116.23	146.02	102.17	125.59	162.64	123.64	113.86
20	96.24	119.70	151.15	105.07	129.91	168.82	127.92	117.23
21	98.75	123.12	156.37	107.92	134.38	174.99	132.15	120.56
22	101.22	126.59	161.50	110.82	138.70	181.21	136.37	123.93
23	103.69	130.06	166.63	113.67	143.07	187.39	140.65	127.40
24	106.21	133.52	171.76	116.57	147.39	193.66	144.97	130.77
25	108.68	136.99	176.84	119.42	151.76	199.83	149.25	134.14

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
1	51.40	53.34	52.25	43.80	50.78	46.74	44.56	43.08
2	56.15	58.09	56.00	48.07	55.72	50.64	48.40	47.31
3	60.85	62.80	59.90	52.44	60.61	54.53	52.39	51.59
4	65.60	67.55	63.65	56.67	65.55	58.43	56.24	55.81
5	70.30	72.30	67.40	60.94	70.59	62.32	60.09	60.18
6	75.72	75.53	70.54	64.51	74.43	66.36	63.75	63.03
7	81.13	78.80	73.72	67.97	78.28	70.25	67.40	65.93
8	86.55	82.03	76.90	71.44	82.13	74.15	71.16	68.78
9	91.96	85.31	80.09	74.91	86.02	78.04	74.86	71.68
10	97.47	88.54	83.22	78.47	89.97	81.94	78.52	74.58
11	102.79	91.82	86.50	80.94	93.81	86.31	80.51	77.24
12	108.11	95.10	89.68	83.51	97.66	90.63	82.51	79.90
13	113.38	98.37	92.82	86.07	101.56	95.10	84.46	82.60
14	118.70	101.60	96.00	88.68	105.50	99.42	86.45	85.41
15	124.02	104.88	99.18	91.25	109.35	103.74	88.45	88.07
16	129.44	108.16	102.36	93.81	112.81	108.11	90.44	90.73
17	134.76	111.44	105.50	96.38	116.28	112.43	92.44	93.43
18	140.08	114.67	108.68	98.99	119.75	116.90	94.43	96.09
19	145.40	117.94	111.86	101.56	123.17	121.22	96.43	98.80
20	150.72	121.32	115.00	104.12	126.64	125.59	98.33	101.46
21	156.04	124.59	118.18	106.59	130.10	129.91	100.32	104.17
22	161.45	127.82	121.36	109.20	133.57	134.28	102.32	106.83
23	166.77	131.10	124.50	111.77	137.04	138.70	104.31	109.54
24	172.05	134.38	127.68	114.33	140.51	143.07	106.31	112.20
25	177.37	137.66	130.86	116.90	143.93	147.39	108.30	114.90

Maximum weight (pounds)	Country price group ¹							
	Origin Zone 1.1 & 1.2 (\$)	Origin Zone 1.3 (\$)	Origin Zone 1.4 (\$)	Origin Zone 1.5 (\$)	Origin Zone 1.6 (\$)	Origin Zone 1.7 (\$)	Origin Zone 1.8 (\$)	
26	101.75	105.07	111.25	118.32	121.08	126.97	129.49	
27	103.84	107.64	114.10	121.36	124.07	130.10	133.05	
28	105.93	110.20	116.99	124.45	127.06	133.24	136.56	
29	108.02	112.77	119.84	127.49	130.06	136.37	140.13	
30	110.06	115.33	122.69	130.53	133.05	139.51	143.64	
31	112.15	117.90	125.54	133.62	136.09	142.55	147.20	
32	114.24	120.46	128.44	136.66	139.08	145.73	150.72	
33	116.33	123.03	131.29	139.70	142.07	148.87	154.28	
34	118.42	125.59	134.24	142.79	145.07	152.00	157.80	
35	120.46	128.16	137.09	145.92	148.11	155.14	161.36	
36	122.55	130.63	139.98	148.96	151.10	158.27	164.87	
37	124.64	133.19	142.83	152.05	154.09	161.45	168.44	
38	126.64	135.76	145.68	155.09	157.08	164.59	171.95	
39	128.73	138.37	148.53	158.13	160.12	167.72	175.51	
40	130.77	140.93	151.43	161.22	163.12	170.86	179.03	
41	132.86	143.50	154.28	164.26	166.11	174.04	182.59	
42	134.95	146.06	157.13	167.30	169.10	177.18	186.11	
43	137.04	148.63	159.98	170.38	172.14	180.22	189.76	
44	139.13	151.19	162.88	173.42	175.13	183.35	193.33	

Maximum weight (pounds)	Country price group ¹						
	Origin Zone 1.1 & 1.2 (\$)	Origin Zone 1.3 (\$)	Origin Zone 1.4 (\$)	Origin Zone 1.5 (\$)	Origin Zone 1.6 (\$)	Origin Zone 1.7 (\$)	Origin Zone 1.8 (\$)
45	141.22	153.76	165.73	176.46	178.13	186.49	196.84
46	143.26	156.32	168.58	179.55	181.12	189.67	200.40
47	145.35	158.89	171.57	182.59	184.16	192.80	203.92
48	147.44	161.45	174.42	185.63	187.15	195.94	207.48
49	149.53	164.02	177.27	188.81	190.14	199.07	211.00
50	151.62	166.58	180.12	191.85	193.14	202.26	214.56

Maximum weight (pounds)	Country price group							
	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
26	111.15	140.46	181.97	122.31	156.18	206.06	153.47	137.47
27	113.67	143.88	187.20	125.21	160.50	212.23	157.70	140.84
28	116.14	147.35	192.33	128.06	164.87	218.41	161.98	144.21
29	118.61	150.91	197.46	130.96	169.20	224.58	166.30	147.58
30	121.13	154.38	202.54	133.81	173.57	230.80	170.57	150.96
31	123.69	157.84	207.67	136.71	177.98	236.98	174.80	154.28
32	126.21	161.31	212.90	139.65	182.35	243.15	179.03	157.65
33	128.68	164.73	218.03	142.55	186.68	249.33	183.30	161.03
34	131.15	168.20	223.16	145.40	191.05	255.55	187.63	164.40
35	133.67	171.67	228.29	148.30	195.37	261.73	191.90	167.77
36	136.14	175.13	233.37	151.19	199.83	267.90	196.13	171.10
37	138.61	178.60	238.50	154.04	204.16	274.08	200.36	174.47
38	141.12	182.07	243.72	156.94	208.48	280.30	204.63	177.84
39	143.59	185.54	248.85	159.79	212.85	286.57	208.95	181.31
40	146.11	188.96	253.98	162.69	217.17	292.74	213.23	184.68
41	148.58	192.42	259.07	165.54	221.64	298.92	217.46	188.01
42	151.15	195.89	264.20	168.44	225.96	305.14	221.68	191.38
43	153.66	199.36	269.33	171.29	230.33	311.32	225.96	194.75
44	156.13	202.83	274.55	174.18	234.65	317.49	230.28	198.12
45	158.60	206.29	279.68	177.08	239.02	323.67	234.56	201.50
46	161.12	209.81	284.81	180.03	243.44	329.89	238.78	204.82
47	163.59	213.28	289.89	182.92	247.81	336.06	243.01	208.19
48	166.11	216.74	295.02	185.77	252.13	342.24	247.29	211.57
49	168.58	220.21	300.15	188.67	256.45	348.41	251.61	214.94
50	171.05	223.68	305.38	191.52	260.82	354.64	255.88	218.26

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
26	182.69	140.89	134.14	119.51	147.39	151.72	110.30	117.66
27	188.01	144.16	137.28	122.08	150.86	156.09	112.29	120.37
28	193.42	147.44	140.46	124.64	154.33	160.50	114.29	123.03
29	198.74	150.72	143.64	127.21	157.89	164.87	116.28	125.69
30	204.06	153.95	146.78	129.82	161.36	169.20	118.28	128.39
31	209.38	157.23	149.96	132.38	164.78	173.57	120.27	131.05
32	214.70	160.50	153.14	134.95	168.25	177.89	122.27	133.76
33	220.02	163.78	156.28	137.56	171.71	182.35	124.26	136.42
34	225.44	167.01	159.46	140.13	175.18	186.68	126.26	139.13
35	230.71	170.38	162.64	142.69	178.65	191.00	128.25	141.79
36	236.03	173.66	165.78	145.26	182.12	195.37	130.25	144.50
37	241.35	176.94	168.96	147.87	185.54	199.69	132.24	147.16
38	246.67	180.17	172.14	150.43	189.00	204.16	134.24	149.96
39	251.99	183.45	175.32	153.00	192.47	208.48	136.23	152.62
40	257.40	186.72	178.46	155.61	195.94	212.85	138.23	155.33
41	262.72	190.19	181.74	158.18	199.41	217.17	140.22	157.99
42	268.04	193.66	184.92	160.74	202.87	221.64	142.22	160.69
43	273.36	197.13	188.05	163.31	206.29	225.96	144.21	163.35
44	278.68	200.69	191.24	165.92	209.76	230.33	146.21	166.01
45	283.96	204.16	194.42	168.48	213.23	234.65	148.20	168.72
46	289.37	207.62	197.55	170.95	216.70	238.97	150.20	171.38
47	294.69	211.09	200.74	173.57	220.26	243.44	152.19	174.09
48	300.01	214.65	203.92	176.13	223.73	247.76	154.19	176.75
49	305.33	218.12	207.10	178.70	227.19	252.13	156.09	179.46
50	310.65	221.59	210.24	181.26	230.61	256.45	158.08	182.12

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
69	195.99	.....
70	197.98	.....

Notes:

¹ The applicable Origin Zone for pieces destined to Canada is based on the applicable zone from the origin point to the serving International Service Center (ISC). In future releases, distance to and within Canada could be considered for application of the appropriate Origin Zone group.

PRIORITY MAIL INTERNATIONAL PARCELS COMMERCIAL PLUS PRICES

Maximum weight (pounds)	Country price group ¹							
	Origin Zone 1.1 & 1.2 (\$)	Origin Zone 1.3 (\$)	Origin Zone 1.4 (\$)	Origin Zone 1.5 (\$)	Origin Zone 1.6 (\$)	Origin Zone 1.7 (\$)	Origin Zone 1.8 (\$)	
1	34.53	35.53	38.14	39.43	40.71	41.33	41.80	
2	37.34	38.52	41.09	42.56	43.99	44.51	45.08	
3	40.09	41.52	44.03	45.70	47.31	47.64	48.31	
4	42.85	44.56	47.03	48.88	50.73	50.78	51.59	
5	45.60	47.64	49.97	52.11	54.01	53.96	54.82	
6	48.36	50.54	53.01	55.24	57.00	57.29	58.47	
7	51.16	53.39	56.19	58.43	60.04	60.56	62.04	
8	54.01	56.24	59.23	61.56	63.03	63.79	65.55	
9	56.76	59.09	62.27	64.74	66.03	67.02	69.11	
10	59.52	61.99	65.36	67.88	69.02	70.30	72.77	
11	62.23	64.84	68.21	71.01	72.34	73.86	76.29	
12	64.89	67.69	71.06	74.20	75.62	77.38	79.85	
13	67.55	70.54	73.96	77.33	78.95	80.94	83.36	
14	70.21	73.44	76.81	80.47	82.22	84.60	86.93	
15	72.87	76.29	79.66	83.65	85.55	88.11	90.44	
16	75.53	79.14	82.51	86.78	88.92	91.68	94.00	
17	78.23	81.99	85.41	89.97	92.25	95.24	97.52	
18	80.89	84.55	88.26	93.10	95.52	98.90	101.08	
19	83.55	87.12	91.11	96.24	98.85	102.41	104.60	
20	86.31	89.68	94.05	99.51	102.13	105.97	108.16	
21	88.97	92.25	96.95	102.65	105.45	109.54	111.67	
22	91.68	94.81	99.80	105.78	108.73	113.19	115.24	
23	94.34	97.38	102.65	108.97	112.15	116.71	118.80	
24	97.61	99.94	105.50	112.10	115.14	120.27	122.31	
25	99.70	102.51	108.40	115.28	118.04	123.83	125.88	

Maximum weight (pounds)	Country price group								
	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	
1	42.28	45.93	52.01	48.36	49.83	51.87	46.93	44.79	
2	46.03	51.44	57.52	51.92	54.39	58.00	51.54	49.64	
3	49.78	56.86	63.13	55.39	58.81	64.08	56.15	54.44	
4	53.53	62.27	68.64	58.85	63.22	70.16	60.80	59.38	
5	57.29	67.69	74.15	62.32	67.69	76.38	65.50	64.22	
6	60.04	71.16	79.28	65.12	71.44	82.46	69.45	67.97	
7	62.94	74.62	84.41	67.88	75.19	88.59	73.39	71.73	
8	65.69	78.04	89.49	70.63	78.90	94.67	77.33	75.48	
9	68.50	81.51	94.72	73.44	82.65	100.89	81.32	79.33	
10	71.25	84.98	99.85	76.19	86.40	106.97	85.26	83.13	
11	73.77	88.45	104.98	79.09	90.73	113.15	89.49	86.55	
12	76.24	92.01	110.11	81.94	95.10	119.32	93.72	90.01	
13	78.76	95.48	115.24	84.84	99.42	125.50	97.99	93.48	
14	81.23	98.94	120.32	87.69	103.79	131.72	102.32	96.95	
15	83.70	102.36	125.54	90.58	108.21	137.89	106.59	100.42	
16	86.21	105.83	130.67	93.43	112.58	144.07	110.82	103.79	
17	88.68	109.30	135.80	96.33	116.90	150.24	115.05	107.11	
18	91.15	112.77	140.93	99.18	121.22	156.47	119.32	110.49	
19	93.77	116.23	146.02	102.17	125.59	162.64	123.64	113.86	
20	96.24	119.70	151.15	105.07	129.91	168.82	127.92	117.23	
21	98.75	123.12	156.37	107.92	134.38	174.99	132.15	120.56	
22	101.22	126.59	161.50	110.82	138.70	181.21	136.37	123.93	
23	103.69	130.06	166.63	113.67	143.07	187.39	140.65	127.40	
24	106.21	133.52	171.76	116.57	147.39	193.66	144.97	130.77	
25	108.68	136.99	176.84	119.42	151.76	199.83	149.25	134.14	

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
1	51.40	53.34	52.25	43.80	50.78	46.74	44.56	43.08
2	56.15	58.09	56.00	48.07	55.72	50.64	48.40	47.31
3	60.85	62.80	59.90	52.44	60.61	54.53	52.39	51.59
4	65.60	67.55	63.65	56.67	65.55	58.43	56.24	55.81
5	70.30	72.30	67.40	60.94	70.59	62.32	60.09	60.18
6	75.72	75.53	70.54	64.51	74.43	66.36	63.75	63.03
7	81.13	78.80	73.72	67.97	78.28	70.25	67.40	65.93
8	86.55	82.03	76.90	71.44	82.13	74.15	71.16	68.78
9	91.96	85.31	80.09	74.91	86.02	78.04	74.86	71.68
10	97.47	88.54	83.22	78.47	89.97	81.94	78.52	74.58
11	102.79	91.82	86.50	80.94	93.81	86.31	80.51	77.24
12	108.11	95.10	89.68	83.51	97.66	90.63	82.51	79.90
13	113.38	98.37	92.82	86.07	101.56	95.10	84.46	82.60
14	118.70	101.60	96.00	88.68	105.50	99.42	86.45	85.41
15	124.02	104.88	99.18	91.25	109.35	103.74	88.45	88.07
16	129.44	108.16	102.36	93.81	112.81	108.11	90.44	90.73
17	134.76	111.44	105.50	96.38	116.28	112.43	92.44	93.43
18	140.08	114.67	108.68	98.99	119.75	116.90	94.43	96.09
19	145.40	117.94	111.86	101.56	123.17	121.22	96.43	98.80
20	150.72	121.32	115.00	104.12	126.64	125.59	98.33	101.46
21	156.04	124.59	118.18	106.59	130.10	129.91	100.32	104.17
22	161.45	127.82	121.36	109.20	133.57	134.28	102.32	106.83
23	166.77	131.10	124.50	111.77	137.04	138.70	104.31	109.54
24	172.05	134.38	127.68	114.33	140.51	143.07	106.31	112.20
25	177.37	137.66	130.86	116.90	143.93	147.39	108.30	114.90

Maximum weight (pounds)	Country price group ¹							
	Origin Zone 1.1 & 1.2 (\$)	Origin Zone 1.3 (\$)	Origin Zone 1.4 (\$)	Origin Zone 1.5 (\$)	Origin Zone 1.6 (\$)	Origin Zone 1.7 (\$)	Origin Zone 1.8 (\$)	
26	101.75	105.07	111.25	118.32	121.08	126.97	129.49	
27	103.84	107.64	114.10	121.36	124.07	130.10	133.05	
28	105.93	110.20	116.99	124.45	127.06	133.24	136.56	
29	108.02	112.77	119.84	127.49	130.06	136.37	140.13	
30	110.06	115.33	122.69	130.53	133.05	139.51	143.64	
31	112.15	117.90	125.54	133.62	136.09	142.55	147.20	
32	114.24	120.46	128.44	136.66	139.08	145.73	150.72	
33	116.33	123.03	131.29	139.70	142.07	148.87	154.28	
34	118.42	125.59	134.24	142.79	145.07	152.00	157.80	
35	120.46	128.16	137.09	145.92	148.11	155.14	161.36	
36	122.55	130.63	139.98	148.96	151.10	158.27	164.87	
37	124.64	133.19	142.83	152.05	154.09	161.45	168.44	
38	126.64	135.76	145.68	155.09	157.08	164.59	171.95	
39	128.73	138.37	148.53	158.13	160.12	167.72	175.51	
40	130.77	140.93	151.43	161.22	163.12	170.86	179.03	
41	132.86	143.50	154.28	164.26	166.11	174.04	182.59	
42	134.95	146.06	157.13	167.30	169.10	177.18	186.11	
43	137.04	148.63	159.98	170.38	172.14	180.22	189.76	
44	139.13	151.19	162.88	173.42	175.13	183.35	193.33	
45	141.22	153.76	165.73	176.46	178.13	186.49	196.84	
46	143.26	156.32	168.58	179.55	181.12	189.67	200.40	
47	145.35	158.89	171.57	182.59	184.16	192.80	203.92	
48	147.44	161.45	174.42	185.63	187.15	195.94	207.48	
49	149.53	164.02	177.27	188.81	190.14	199.07	211.00	
50	151.62	166.58	180.12	191.85	193.14	202.26	214.56	

Maximum weight (pounds)	Country price group							
	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
26	111.15	140.46	181.97	122.31	156.18	206.06	153.47	137.47
27	113.67	143.88	187.20	125.21	160.50	212.23	157.70	140.84
28	116.14	147.35	192.33	128.06	164.87	218.41	161.98	144.21
29	118.61	150.91	197.46	130.96	169.20	224.58	166.30	147.58
30	121.13	154.38	202.54	133.81	173.57	230.80	170.57	150.96
31	123.69	157.84	207.67	136.71	177.98	236.98	174.80	154.28
32	126.21	161.31	212.90	139.65	182.35	243.15	179.03	157.65
33	128.68	164.73	218.03	142.55	186.68	249.33	183.30	161.03

Maximum weight (pounds)	Country price group							
	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
34	131.15	168.20	223.16	145.40	191.05	255.55	187.63	164.40
35	133.67	171.67	228.29	148.30	195.37	261.73	191.90	167.77
36	136.14	175.13	233.37	151.19	199.83	267.90	196.13	171.10
37	138.61	178.60	238.50	154.04	204.16	274.08	200.36	174.47
38	141.12	182.07	243.72	156.94	208.48	280.30	204.63	177.84
39	143.59	185.54	248.85	159.79	212.85	286.57	208.95	181.31
40	146.11	188.96	253.98	162.69	217.17	292.74	213.23	184.68
41	148.58	192.42	259.07	165.54	221.64	298.92	217.46	188.01
42	151.15	195.89	264.20	168.44	225.96	305.14	221.68	191.38
43	153.66	199.36	269.33	171.29	230.33	311.32	225.96	194.75
44	156.13	202.83	274.55	174.18	234.65	317.49	230.28	198.12
45	158.60	206.29	279.68	177.08	239.02	323.67	234.56	201.50
46	161.12	209.81	284.81	180.03	243.44	329.89	238.78	204.82
47	163.59	213.28	289.89	182.92	247.81	336.06	243.01	208.19
48	166.11	216.74	295.02	185.77	252.13	342.24	247.29	211.57
49	168.58	220.21	300.15	188.67	256.45	348.41	251.61	214.94
50	171.05	223.68	305.38	191.52	260.82	354.64	255.88	218.26

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
26	182.69	140.89	134.14	119.51	147.39	151.72	110.30	117.66
27	188.01	144.16	137.28	122.08	150.86	156.09	112.29	120.37
28	193.42	147.44	140.46	124.64	154.33	160.50	114.29	123.03
29	198.74	150.72	143.64	127.21	157.89	164.87	116.28	125.69
30	204.06	153.95	146.78	129.82	161.36	169.20	118.28	128.39
31	209.38	157.23	149.96	132.38	164.78	173.57	120.27	131.05
32	214.70	160.50	153.14	134.95	168.25	177.89	122.27	133.76
33	220.02	163.78	156.28	137.56	171.71	182.35	124.26	136.42
34	225.44	167.01	159.46	140.13	175.18	186.68	126.26	139.13
35	230.71	170.38	162.64	142.69	178.65	191.00	128.25	141.79
36	236.03	173.66	165.78	145.26	182.12	195.37	130.25	144.50
37	241.35	176.94	168.96	147.87	185.54	199.69	132.24	147.16
38	246.67	180.17	172.14	150.43	189.00	204.16	134.24	149.96
39	251.99	183.45	175.32	153.00	192.47	208.48	136.23	152.62
40	257.40	186.72	178.46	155.61	195.94	212.85	138.23	155.33
41	262.72	190.19	181.74	158.18	199.41	217.17	140.22	157.99
42	268.04	193.66	184.92	160.74	202.87	221.64	142.22	160.69
43	273.36	197.13	188.05	163.31	206.29	225.96	144.21	163.35
44	278.68	200.69	191.24	165.92	209.76	230.33	146.21	166.01
45	283.96	204.16	194.42	168.48	213.23	234.65	148.20	168.72
46	289.37	207.62	197.55	170.95	216.70	238.97	150.20	171.38
47	294.69	211.09	200.74	173.57	220.26	243.44	152.19	174.09
48	300.01	214.65	203.92	176.13	223.73	247.76	154.19	176.75
49	305.33	218.12	207.10	178.70	227.19	252.13	156.09	179.46
50	310.65	221.59	210.24	181.26	230.61	256.45	158.08	182.12

Maximum weight (pounds)	Country price group ¹							
	Origin Zone 1.1 & 1.2 (\$)	Origin Zone 1.3 (\$)	Origin Zone 1.4 (\$)	Origin Zone 1.5 (\$)	Origin Zone 1.6 (\$)	Origin Zone 1.7 (\$)	Origin Zone 1.8 (\$)	
51	153.71	169.15	183.02	194.70	196.13	205.39	218.07	
52	155.75	171.71	185.87	197.55	199.17	208.53	221.64	
53	157.84	174.28	188.72	200.45	202.16	211.66	225.15	
54	159.93	176.84	191.57	203.30	205.15	214.84	228.71	
55	162.02	179.41	194.47	206.15	208.15	217.98	232.23	
56	164.11	181.97	197.32	209.05	211.19	221.11	235.79	
57	166.20	184.54	200.17	211.90	214.18	224.25	239.31	
58	168.25	187.10	203.02	214.75	217.27	227.43	242.87	
59	170.34	189.67	205.91	217.60	220.31	230.57	246.38	
60	172.43	192.23	208.86	220.50	223.30	233.70	249.95	
61	174.52	194.80	211.71	223.35	226.29	236.84	253.56	
62	176.61	197.36	214.56	226.29	229.28	240.02	257.12	
63	178.70	199.93	217.46	229.14	232.32	243.06	260.63	
64	180.74	202.54	220.31	232.04	235.32	246.19	264.20	
65	182.83	205.11	223.16	234.89	238.31	249.33	267.76	
66	184.92	207.67	226.05	237.74	241.30	252.51	271.27	

Maximum weight (pounds)	Country price group ¹						
	Origin Zone 1.1 & 1.2 (\$)	Origin Zone 1.3 (\$)	Origin Zone 1.4 (\$)	Origin Zone 1.5 (\$)	Origin Zone 1.6 (\$)	Origin Zone 1.7 (\$)	Origin Zone 1.8 (\$)
67
68
69
70

Maximum weight (pounds)	Country price group							
	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
51	173.57	227.15	310.51	194.42	265.24	360.81	260.11	221.64
52	176.04	230.57	315.59	197.32	269.61	366.99	264.39	225.01
53	178.65	234.03	320.72	200.17	273.93	373.26	268.71	228.38
54	181.12	237.50	325.85	203.06	278.30	379.48	272.94	231.75
55	183.59	240.97	330.98	205.91	282.72	385.65	277.21	235.22
56	186.11	244.44	336.21	208.81	287.09	391.83	281.44	238.55
57	188.58	247.90	341.34	211.66	291.41	398.00	285.71	241.92
58	191.05	251.32	346.42	214.56	295.74	404.23	290.04	245.29
59	193.56	254.79	351.55	217.50	300.11	410.40	294.26	248.66
60	196.03	258.26	356.68	220.40	304.52	416.58	298.54	251.99
61	198.50	261.73	361.90	223.30	308.89	422.75	302.77	255.36
62	201.02	265.29	367.03	226.15	313.22	428.97	307.04	258.73
63	203.49	268.76	372.12	229.05	317.59	435.15	311.36	262.11
64	206.10	272.22	377.25	231.90	321.91	441.32	315.64	265.48
65	208.57	275.64	382.38	234.79	326.37	447.50	319.87	268.80
66	211.04	279.11	387.51	237.64	330.70	453.72	324.09	272.18
67	213.56	282.58	392.73	240.54	335.07	459.99	328.37	275.55
68	216.03	286.05	397.86	243.39	339.39	466.17	332.69	278.92
69	218.50	289.51	402.94	246.29	343.71	472.39	336.97	282.29
70	221.02	292.98	408.07	249.19	348.18	478.56	341.19	285.62

Maximum weight (pounds)	Country price group							
	10 (\$)	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)
51	315.97	225.06	213.42	183.87	234.08	260.82	160.08	184.92
52	321.29	228.52	216.60	186.44	237.55	265.24	162.07	187.58
53	326.71	232.09	219.74	189.00	241.02	269.61	164.07	190.29
54	332.03	235.55	222.92	191.62	244.48	273.93	166.06	192.95
55	337.35	239.02	226.10	194.18	247.95	278.30	168.06	195.65
56	342.62	242.49	229.38	196.75	251.37	282.63	170.05	198.31
57	347.94	246.05	232.51	199.36	254.84	287.09	172.05	201.02
58	353.26	249.52	235.70	201.92	258.31	291.41	174.04	203.68
59	358.67	252.99	238.88	204.49	261.77	295.74	176.04	206.34
60	363.99	256.45	242.01	207.10	265.24	300.11	178.03	209.05
61	369.31	259.92	245.20	209.67	268.71	304.43	180.03	211.71
62	374.63	263.48	248.38	212.23	272.13	308.89	182.02	214.42
63	379.95	266.95	251.51	214.80	275.60	313.22	184.02	217.17
64	385.27	270.42	254.70	217.41	279.16	317.59	186.01	219.88
65	390.69	273.89	257.88	219.97	282.63	321.91	188.01	222.54
66	396.01	277.50	261.01	222.54	286.09	326.28	190.00	225.25
67 .....	.....	.....	.....	.....	.....	.....	192.00	.....
68 .....	.....	.....	.....	.....	.....	.....	193.99	.....
69 .....	.....	.....	.....	.....	.....	.....	195.99	.....
70 .....	.....	.....	.....	.....	.....	.....	197.98	.....

Notes:

¹ The applicable Origin Zone for pieces destined to Canada is based on the applicable zone from the origin point to the serving International Service Center (ISC). In future releases, distance to and within Canada could be considered for application of the appropriate Origin Zone group.

Pickup On Demand Service

Add ~~\$23.00~~ \$24.00 for each Pickup On Demand stop.

International Service Center (ISC) Zone Chart

The International Service Center (ISC) Zone Chart identifies the appropriate distance code assigned to each origin.

	Annual fee (\$)
Zone Chart concerning appropriate International Service Center and partner Induction Facility from every ZIP Code in the nation (per year)	68.00

2320 International Priority Airmail (IPA)

* * *

2320.6 Prices

International Priority Airmail Letters and Postcards

The price to be paid is the applicable per-piece price plus the applicable per-pound price. The per-piece price applies to each mailpiece regardless of weight. The per-pound price applies to

the net weight (gross weight of the container minus the tare weight of the container) of the mail for the specific Country Price Group.

a. Presort Mail (Full Service and ISC Drop Shipment)

i. *Per Piece*

	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
Direct Country Containers	0.78	0.26	0.77	0.78	0.77	0.74	0.80	0.72	0.66	0.30
Mixed Country Containers									0.77	0.32
	Price group									
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)	
Direct Country Containers	0.27	0.71	0.66	0.25	0.70	0.29	0.30	0.27	0.23	
Mixed Country Containers	0.29	0.73	0.71	0.26	0.76	0.31	0.32	0.29	0.25	

ii. Per Pound

	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
Direct Country Containers (Full Service)	9.86	11.85	12.12	12.64	12.33	13.06	12.40	12.86	13.54	14.89
Direct Country Containers (ISC Drop Shipment)	6.68	7.40	9.00	9.52	9.24	9.78	9.27	9.29	10.15	9.83
Mixed Country Containers (ISC Drop Shipment)									10.63	10.31
	Price group									
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)	
Direct Country Containers (Full Service)	12.93	12.81	13.06	13.58	12.66	13.12	14.96	13.00	14.40	
Direct Country Containers (ISC Drop Shipment)	9.84	9.39	9.52	10.50	9.16	9.79	9.88	9.88	11.33	
Mixed Country Containers (ISC Drop Shipment)	10.26	9.87	10.07	11.01	9.82	9.87	10.36	10.30	11.93	

b. Worldwide Nonpresort Mail (Full Service and ISC Drop Shipment)

i. Per Piece

	(\$)
Worldwide Nonpresorted Containers	0.83

ii. Per Pound

	(\$)
Worldwide Nonpresorted Containers (Full Service)	16.83
Worldwide Nonpresorted Containers (ISC Drop Shipment)	13.26

International Priority Airmail Large Envelopes (Flats)

The price to be paid is the applicable per-piece price plus the applicable per-pound price. The per-piece price

applies to each mailpiece regardless of weight. The per-pound price applies to the net weight (gross weight of the container minus the tare weight of the container) of the mail for the specific Country Price Group.

a. Presort Mail (Full Service and ISC Drop Shipment)
i. Per Piece

	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
Direct Country Containers	0.78	0.26	0.77	0.78	0.77	0.74	0.80	0.72	0.66	0.30
Mixed Country Containers .....	.....	.....	.....	.....	.....	.....	.....	.....	0.77	0.32

	Price group								
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)
Direct Country Containers	0.27	0.71	0.66	0.25	0.70	0.29	0.30	0.27	0.23
Mixed Country Containers	0.29	0.73	0.71	0.26	0.76	0.31	0.32	0.29	0.25

ii. Per Pound

	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
Direct Country Containers (Full Service)	8.41	10.12	10.36	10.84	10.57	11.18	10.63	10.99	11.58	12.73
Direct Country Containers (ISC Drop Shipment)	5.74	6.35	7.72	8.18	7.91	8.38	7.94	7.92	8.67	8.41
Mixed Country Containers (ISC Drop Shipment) .....	.....	.....	.....	.....	.....	.....	.....	.....	9.08	8.84

	Price group								
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)
Direct Country Containers (Full Service)	11.07	10.94	11.17	11.62	12.66	13.12	14.96	13.00	14.40
Direct Country Containers (ISC Drop Shipment)	8.42	8.05	8.16	8.99	9.16	9.79	9.88	9.88	11.33
Mixed Country Containers (ISC Drop Shipment)	8.78	8.45	8.64	9.41	9.82	9.87	10.36	10.30	11.93

b. Worldwide Nonpresort Mail (Full Service and ISC Drop Shipment)

i. Per Piece

	(\$)
Worldwide Nonpresorted Containers	0.83

ii. Per Pound

	(\$)
Worldwide Nonpresorted Containers (Full Service)	16.83
Worldwide Nonpresorted Containers (ISC Drop Shipment)	13.26

International Priority Airmail Packages (Small Packets and Rolls)

The price to be paid is the applicable per-piece price plus the applicable per-pound price. The per-piece price

applies to each mailpiece regardless of weight. The per-pound price applies to the net weight (gross weight of the container minus the tare weight of the container) of the mail for the specific Country Price Group.

a. Presort Mail (Full Service and ISC Drop Shipment)

i. Per Piece

	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
Direct Country Containers	0.78	0.26	0.77	0.78	0.77	0.74	0.81	0.72	0.66	0.30
Mixed Country Containers									0.77	0.32

	Price group									
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)	
Direct Country Containers	0.27	0.71	0.66	0.25	0.70	0.29	0.30	0.27	0.23	
Mixed Country Containers	0.29	0.73	0.71	0.26	0.76	0.31	0.32	0.29	0.25	

ii. Per Pound

	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
Direct Country Containers (Full Service)	8.04	9.67	9.90	10.31	10.07	10.68	10.11	10.49	11.06	12.13
Direct Country Containers (ISC Drop Shipment)	5.45	6.07	7.34	7.78	7.55	7.98	7.56	7.58	8.27	8.01
Mixed Country Containers (ISC Drop Shipment)									8.69	8.39

	Price group									
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)	
Direct Country Containers (Full Service)	10.54	10.44	10.66	11.08	12.66	13.12	14.96	13.00	14.40	
Direct Country Containers (ISC Drop Shipment)	8.04	7.68	7.77	8.57	9.16	9.79	9.88	9.88	11.33	
Mixed Country Containers (ISC Drop Shipment)	8.39	8.03	8.23	8.97	9.82	9.87	10.36	10.30	11.93	

b. Worldwide Nonpresort Mail (Full Service and ISC Drop Shipment)

i. Per Piece

	(\$)
Worldwide Nonpresorted Containers	0.83

ii. Per Pound

	(\$)
Worldwide Nonpresorted Containers (Full Service)	16.83
Worldwide Nonpresorted Containers (ISC Drop Shipment)	13.26

International Priority Airmail M-Bag
The price to be paid is the applicable per-pound price. The per-pound price

applies to the total weight of the sack (M-bag) for the specific Country Price Group.

a. International Priority Airmail M-Bag (Full Service)

Maximum weight (pounds)	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
11	79.53	89.98	105.38	105.38	105.38	132.55	105.38	105.38	126.28	115.83
For each additional pound or fraction thereof	7.23	8.18	9.58	9.58	9.58	12.05	9.58	9.58	11.48	10.53

Maximum weight (pounds)	Price group									
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)	
11	128.92	109.23	105.38	128.48	105.38	119.35	115.83	128.92	126.94	
For each additional pound or fraction thereof	11.72	9.93	9.58	11.68	9.58	10.85	10.53	11.72	11.54	

b. International Priority Airmail M-Bag (ISC Drop Shipment)

Maximum weight (pounds)	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
5	31.20	38.59	48.45	48.45	48.45	70.59	48.45	48.45	64.62	61.21
6	31.75	39.68	50.04	50.04	50.04	73.23	50.04	50.04	66.98	62.40
7	32.30	40.77	51.63	51.63	51.63	75.87	51.63	51.63	69.34	63.59
8	32.85	41.86	53.22	53.22	53.22	78.51	53.22	53.22	71.70	64.78
9	33.40	42.95	54.81	54.81	54.81	81.15	54.81	54.81	74.06	65.97
10	33.95	44.04	56.40	56.40	56.40	83.79	56.40	56.40	76.42	67.16
11	34.50	45.13	57.99	57.99	57.99	86.43	57.99	57.99	78.78	68.35
For each additional pound or fraction thereof	3.15	4.10	5.28	5.28	5.28	7.85	5.28	5.28	7.16	6.21

Maximum weight (pounds)	Price group									
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)	
5	70.17	52.46	48.45	70.49	48.45	61.34	61.21	70.17	67.93	
6	72.04	54.02	50.04	72.20	50.04	63.06	62.40	72.04	69.87	
7	73.91	55.58	51.63	73.91	51.63	64.78	63.59	73.91	71.81	
8	75.78	57.14	53.22	75.62	53.22	66.50	64.78	75.78	73.75	
9	77.65	58.70	54.81	77.33	54.81	68.22	65.97	77.65	75.69	
10	79.52	60.26	56.40	79.04	56.40	69.94	67.16	79.52	77.63	
11	81.39	61.82	57.99	80.75	57.99	71.66	68.35	81.39	79.57	
For each additional pound or fraction thereof	7.39	5.61	5.28	7.35	5.28	6.52	6.21	7.39	7.23	

2325 International Surface Air Lift (ISAL)

* * *

2325.6 Prices

International Surface Air Lift Letters and Postcards

The price to be paid is the applicable per-piece price plus the applicable per-pound price. The per-piece price applies to each mailpiece regardless of weight. The per-pound price applies to

the net weight (gross weight of the container minus the tare weight of the container) of the mail for the specific price group.

a. Presort Mail (Full Service and ISC Drop Shipment)

i. Per Piece

	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
Direct Country Containers	0.71	0.23	0.68	0.71	0.71	0.69	0.72	0.65	0.59	0.27
Mixed Country Containers .....	.....	.....	.....	.....	.....	.....	.....	.....	0.72	0.29

	Price group								
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)
Direct Country Containers	0.25	0.59	0.64	0.23	0.65	0.28	0.27	0.26	0.21
Mixed Country Containers	0.26	0.61	0.68	0.25	0.70	0.30	0.29	0.27	0.23

ii. Per Pound

	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
Direct Country Containers (Full Service)	9.61	11.13	10.78	11.52	11.31	12.39	11.52	11.32	12.47	13.79
Direct Country Containers (ISC Drop Shipment)	6.49	6.98	8.04	8.66	8.46	9.27	8.58	8.18	9.32	9.10
Mixed Country Containers (ISC Drop Shipment) .....	.....	.....	.....	.....	.....	.....	.....	.....	9.46	9.56

	Price group								
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)
Direct Country Containers (Full Service)	11.68	11.55	11.05	12.57	11.39	12.34	13.62	11.87	13.37
Direct Country Containers (ISC Drop Shipment)	8.89	8.45	7.98	9.74	8.21	9.18	8.98	9.05	10.53
Mixed Country Containers (ISC Drop Shipment)	9.21	8.89	8.86	10.00	9.12	9.25	9.44	9.37	10.72

b. Worldwide Nonpresort Mail (Full Service and ISC Drop Shipment)

i. Per Piece

	(\$)
Worldwide Nonpresorted Containers	0.77

ii. Per Pound

	(\$)
Worldwide Nonpresorted Containers (Full Service)	15.51
Worldwide Nonpresorted Containers (ISC Drop Shipment)	12.22

International Surface Air Lift Large Envelopes (Flats)

The price to be paid is the applicable per-piece price plus the applicable per-pound price. The per-piece price

applies to each mailpiece regardless of weight. The per-pound price applies to the net weight (gross weight of the container minus the tare weight of the container) of the mail for the specific price group.

a. Presort Mail (Full Service and ISC Drop Shipment)

i. Per Piece

	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
Direct Country Containers	0.71	0.24	0.68	0.71	0.71	0.69	0.72	0.65	0.61	0.27
Mixed Country Containers .....	.....	.....	.....	.....	.....	.....	.....	.....	0.72	0.29

	Price group								
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)
Direct Country Containers	0.25	0.61	0.64	0.23	0.65	0.28	0.27	0.26	0.21
Mixed Country Containers	0.26	0.62	0.68	0.25	0.70	0.30	0.29	0.27	0.23

ii. Per Pound

	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
Direct Country Containers (Full Service)	8.19	9.57	9.23	9.86	9.67	10.59	9.86	9.68	10.68	11.80
Direct Country Containers (ISC Drop Shipment)	5.57	5.99	6.86	7.42	7.25	7.93	7.36	7.00	7.95	7.80
Mixed Country Containers (ISC Drop Shipment) .....	.....	.....	.....	.....	.....	.....	.....	.....	8.10	8.19

	Price group								
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)
Direct Country Containers (Full Service)	10.00	9.85	9.45	10.74	11.39	12.34	13.62	11.87	13.37
Direct Country Containers (ISC Drop Shipment)	7.62	7.23	6.84	8.34	8.21	9.18	8.98	9.05	10.53
Mixed Country Containers (ISC Drop Shipment)	7.88	7.60	7.57	8.54	9.12	9.25	9.44	9.37	10.72

b. Worldwide Nonpresort Mail (Full Service and ISC Drop Shipment)

i. Per Piece

	(\$)
Worldwide Nonpresorted Containers	0.77

ii. Per Pound

	(\$)
Worldwide Nonpresorted Containers (Full Service)	15.51
Worldwide Nonpresorted Containers (ISC Drop Shipment)	12.22

International Surface Air Lift Packages (Small Packets and Rolls)

The price to be paid is the applicable per-piece price plus the applicable per-pound price. The per-piece price

applies to each mailpiece regardless of weight. The per-pound price applies to the net weight (gross weight of the container minus the tare weight of the container) of the mail for the specific price group.

a. Presort Mail (Full Service and ISC Drop Shipment)

i. Per Piece

	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
Direct Country Containers	0.71	0.23	0.68	0.71	0.71	0.69	0.72	0.65	0.61	0.27
Mixed Country Containers .....	.....	.....	.....	.....	.....	.....	.....	.....	0.72	0.29

	Price group								
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)
Direct Country Containers	0.25	0.61	0.64	0.23	0.65	0.28	0.27	0.26	0.21
Mixed Country Containers	0.26	0.62	0.68	0.25	0.70	0.30	0.29	0.27	0.23

ii. Per Pound

	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
Direct Country Containers (Full Service)	7.82	9.08	8.81	9.40	9.22	10.10	9.40	9.23	10.14	11.27
Direct Country Containers (ISC Drop Shipment)	5.29	5.70	6.52	7.06	6.91	7.56	7.00	6.68	7.60	7.43
Mixed Country Containers (ISC Drop Shipment) .....	.....	.....	.....	.....	.....	.....	.....	.....	7.73	7.81

	Price group								
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)
Direct Country Containers (Full Service)	9.54	9.44	9.01	10.27	11.39	12.34	13.62	11.87	13.37
Direct Country Containers (ISC Drop Shipment)	7.29	6.89	6.52	7.99	8.21	9.18	8.98	9.05	10.53
Mixed Country Containers (ISC Drop Shipment)	7.54	7.26	7.21	8.17	9.12	9.25	9.44	9.37	10.72

b. Worldwide Nonpresort Mail (Full Service and ISC Drop Shipment)

i. Per Piece

	(\$)
Worldwide Nonpresorted Containers	0.77

ii. Per Pound

	(\$)
Worldwide Nonpresorted Containers (Full Service)	15.51
Worldwide Nonpresorted Containers (ISC Drop Shipment)	12.22

International Surface Air Lift M-Bags

applies to the total weight of the sack (M-bag) for the specific price group.

a. International Surface Air Lift M-Bag (Full Service)

The price to be paid is applicable per-pound price. The per-pound price

Maximum weight (pounds)	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
11	27.61	29.59	34.65	34.65	34.65	48.18	34.65	35.20	45.10	40.59
For each additional pound or fraction thereof	2.51	2.69	3.15	3.15	3.15	4.38	3.15	3.20	4.10	3.69

Maximum weight (pounds)	Price group								
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)
11	45.10	36.30	35.20	47.52	35.20	40.59	40.59	45.10	56.43
For each additional pound or fraction thereof	4.10	3.30	3.20	4.32	3.20	3.69	3.69	4.10	5.13

b. International Surface Air Lift M-Bag (ISC Drop Shipment)

Maximum weight (pounds)	Price group									
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)	10 (\$)
5	25.51	23.46	18.31	18.31	18.31	25.95	18.31	18.62	25.12	23.66
6	25.69	24.25	20.41	20.41	20.41	29.43	20.41	20.78	27.88	25.86
7	25.87	25.04	22.51	22.51	22.51	32.91	22.51	22.94	30.64	28.06
8	26.05	25.83	24.61	24.61	24.61	36.39	24.61	25.10	33.40	30.26
9	26.23	26.62	26.71	26.71	26.71	39.87	26.71	27.26	36.16	32.46
10	26.41	27.41	28.81	28.81	28.81	43.35	28.81	29.42	38.92	34.66
11	26.59	28.20	30.91	30.91	30.91	46.83	30.91	31.58	41.68	36.86
For each additional pound or fraction thereof	2.41	2.56	2.81	2.81	2.81	4.27	2.81	2.86	3.80	3.37

Maximum weight (pounds)	Price group								
	11 (\$)	12 (\$)	13 (\$)	14 (\$)	15 (\$)	16 (\$)	17 (\$)	18 (\$)	19 (\$)
5	19.91	19.60	18.62	20.85	18.62	21.39	23.66	19.91	26.82
6	23.48	21.78	20.78	24.69	20.78	23.99	25.86	23.48	31.18
7	27.05	23.96	22.94	28.53	22.94	26.59	28.06	27.05	35.54
8	30.62	26.14	25.10	32.37	25.10	29.19	30.26	30.62	39.90
9	34.19	28.32	27.26	36.21	27.26	31.79	32.46	34.19	44.26
10	37.76	30.50	29.42	40.05	29.42	34.39	34.66	37.76	48.62
11	41.33	32.68	31.58	43.89	31.58	36.99	36.86	41.33	52.98
For each additional pound or fraction thereof	3.77	2.98	2.86	3.98	2.86	3.37	3.37	3.77	4.81

**2330 International Direct Sacks—
Airmail M-Bags**

* * *

2330.6 Prices

*Outbound International Direct Sacks—
Airmail M-Bags*

The price is based on the applicable per-pound price. The per-pound price

applies to the total weight of the sack (M-Bag) for the specific price group.

Maximum weight (pounds)	Price group ¹								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
11	51.70	48.95	93.50	75.35	65.45	90.75	75.35	77.00	77.00
For each additional pound or fraction thereof	4.70	4.45	8.50	6.85	5.95	8.25	6.85	7.00	7.00

Notes

¹ Same as Price Groups 1–9 for Single-Piece First-Class Mail International (SPFCMI).

Inbound International Direct Sacks—M-Bags

Payment is made in accordance with Part III of the Universal Postal

Convention and associated UPU Letter Post Regulations. This information is available in the Letter Post Manual at www.upu.int.

2335 Outbound Single-Piece First-Class Package International Service

* * *

2335.6 Prices

OUTBOUND SINGLE-PIECE FIRST-CLASS PACKAGE INTERNATIONAL SERVICE RETAIL PRICES

Maximum weight (ounces)	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
1	12.25	12.50	17.25	15.25	14.50	15.25	15.25	15.25	15.25
2	12.25	12.50	17.25	15.25	14.50	15.25	15.25	15.25	15.25
3	12.25	12.50	17.25	15.25	14.50	15.25	15.25	15.25	15.25
4	12.25	12.50	17.25	15.25	14.50	15.25	15.25	15.25	15.25
5	12.25	12.50	17.25	15.25	14.50	15.25	15.25	15.25	15.25
6	12.25	12.50	17.25	15.25	14.50	15.25	15.25	15.25	15.25
7	12.25	12.50	17.25	15.25	14.50	15.25	15.25	15.25	15.25
8	12.25	12.50	17.25	15.25	14.50	15.25	15.25	15.25	15.25
12	20.75	21.75	27.75	25.50	24.50	25.50	25.50	25.50	25.50
16	20.75	21.75	27.75	25.50	24.50	25.50	25.50	25.50	25.50
20	20.75	21.75	27.75	25.50	24.50	25.50	25.50	25.50	25.50
24	20.75	21.75	27.75	25.50	24.50	25.50	25.50	25.50	25.50
28	20.75	21.75	27.75	25.50	24.50	25.50	25.50	25.50	25.50
32	20.75	21.75	27.75	25.50	24.50	25.50	25.50	25.50	25.50
36	32.00	33.25	43.00	40.50	39.00	40.50	40.50	40.50	40.50
40	32.00	33.25	43.00	40.50	39.00	40.50	40.50	40.50	40.50
44	32.00	33.25	43.00	40.50	39.00	40.50	40.50	40.50	40.50
48	32.00	33.25	43.00	40.50	39.00	40.50	40.50	40.50	40.50
52	50.25	51.75	67.25	63.25	61.75	63.25	63.25	63.25	63.25
56	50.25	51.75	67.25	63.25	61.75	63.25	63.25	63.25	63.25
60	50.25	51.75	67.25	63.25	61.75	63.25	63.25	63.25	63.25
64	50.25	51.75	67.25	63.25	61.75	63.25	63.25	63.25	63.25

OUTBOUND SINGLE-PIECE FIRST-CLASS PACKAGE INTERNATIONAL SERVICE COMMERCIAL BASE PRICES

Maximum weight (ounces)	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
1	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
2	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
3	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
4	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
5	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
6	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
7	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
8	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
12	19.71	20.66	26.36	24.23	23.28	24.23	24.23	24.23	24.23
16	19.71	20.66	26.36	24.23	23.28	24.23	24.23	24.23	24.23
20	19.71	20.66	26.36	24.23	23.28	24.23	24.23	24.23	24.23
24	19.71	20.66	26.36	24.23	23.28	24.23	24.23	24.23	24.23
28	19.71	20.66	26.36	24.23	23.28	24.23	24.23	24.23	24.23
32	19.71	20.66	26.36	24.23	23.28	24.23	24.23	24.23	24.23
36	30.40	31.59	40.85	38.48	37.05	38.48	38.48	38.48	38.48
40	30.40	31.59	40.85	38.48	37.05	38.48	38.48	38.48	38.48
44	30.40	31.59	40.85	38.48	37.05	38.48	38.48	38.48	38.48
48	30.40	31.59	40.85	38.48	37.05	38.48	38.48	38.48	38.48
52	47.74	49.16	63.89	60.09	58.66	60.09	60.09	60.09	60.09
56	47.74	49.16	63.89	60.09	58.66	60.09	60.09	60.09	60.09
60	47.74	49.16	63.89	60.09	58.66	60.09	60.09	60.09	60.09
64	47.74	49.16	63.89	60.09	58.66	60.09	60.09	60.09	60.09

OUTBOUND SINGLE-PIECE FIRST-CLASS PACKAGE INTERNATIONAL SERVICE COMMERCIAL PLUS PRICES

Maximum weight (ounces)	Country price group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
1	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
2	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
3	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
4	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
5	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
6	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
7	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
8	11.64	11.88	16.39	14.49	13.78	14.49	14.49	14.49	14.49
12	19.71	20.66	26.36	24.23	23.28	24.23	24.23	24.23	24.23
16	19.71	20.66	26.36	24.23	23.28	24.23	24.23	24.23	24.23
20	19.71	20.66	26.36	24.23	23.28	24.23	24.23	24.23	24.23
24	19.71	20.66	26.36	24.23	23.28	24.23	24.23	24.23	24.23
28	19.71	20.66	26.36	24.23	23.28	24.23	24.23	24.23	24.23
32	19.71	20.66	26.36	24.23	23.28	24.23	24.23	24.23	24.23
36	30.40	31.59	40.85	38.48	37.05	38.48	38.48	38.48	38.48
40	30.40	31.59	40.85	38.48	37.05	38.48	38.48	38.48	38.48
44	30.40	31.59	40.85	38.48	37.05	38.48	38.48	38.48	38.48
48	30.40	31.59	40.85	38.48	37.05	38.48	38.48	38.48	38.48
52	47.74	49.16	63.89	60.09	58.66	60.09	60.09	60.09	60.09
56	47.74	49.16	63.89	60.09	58.66	60.09	60.09	60.09	60.09
60	47.74	49.16	63.89	60.09	58.66	60.09	60.09	60.09	60.09
64	47.74	49.16	63.89	60.09	58.66	60.09	60.09	60.09	60.09

Fee for Return of Undeliverable as Addressed Outbound U.S. Origin Mail Posted through a Foreign Postal Administration or Operator

A fee is charged for the return of an undeliverable-as-addressed Outbound Single-Piece First-Class Mail International item bearing a U.S. return address which was originally posted to an international addressee through a foreign postal administration, consolidator, or operator. The fee for each returned item is equal to the First-Class Mail International postage which would have been charged if the item had been posted through the Postal Service as First-Class Mail International. The fee is charged to the return addressee.

Pickup On Demand Service

Add ~~\$23.00~~\$24.00 for each Pickup On Demand stop.

- * * *
- 2600 Special Services**
- * * *
- 2600.2 Products Included in Group
 - Address Enhancement Services (2605)
 - Greeting Cards and Stationery (2610)
 - International Ancillary Services (2615)
 - International Certificate of Mailing (2615.1)
 - Competitive International
 - Registered Mail (2615.2)
 - International Return Receipt (2615.3)
 - Outbound International Insurance (2615.5)
 - Custom Clearance and Delivery Fee (2615.6)
 - International Money Transfer Service—Outbound (2620)
 - International Money Transfer Service—Inbound (2625)
 - Premium Forwarding Service (2630)
 - Shipping and Mailing Supplies (2635)
 - Post Office Box Service (2640)
 - Competitive Ancillary Services (2645)
 - Adult Signature (2645.1)
 - Package Intercept Service (2645.2)
 - *Premium Data Retention and Retrieval Service (2645.3)*
- 2605 Address Enhancement Services**
- * * *
- 2605.2 Prices

	(\$)
AEC:	
Per record processed	0.027
Minimum charge per list	27.00
AMS API Address Matching System Application Program Interface (per year, per platform): ¹	
Developer's Kit, one platform	5,800.00
Each Additional, per platform	2,000.00
Resell License, one platform	24,740.00
Each Additional, per platform	12,445.00
Additional Database License:	
<i>Number of Additional Licenses:</i>	
1–100	3,050.00
101–200	6,200.00
201–300	9,300.00
301–400	12,400.00
401–500	15,700.00
501–600	18,850.00
601–700	21,800.00
701–800	25,100.00
801–900	28,500.00
901–1,000	31,350.00
1,001–10,000	40,550.00
10,001–20,000	49,900.00
20,001–30,000	59,750.00
30,001–40,000	69,050.00
RDI API Developer's Kit: ¹	
Each, per platform	465.00
Resell License, one platform	1,750.00
Each Additional, per platform	990.00

Notes

¹ Above API License Fees prorated during the first year based on the date of the license agreement.

* * *

2615 International Ancillary Services 2615.1.2 Prices
2615.1 International Certificate of Mailing *Individual Pieces Prices*
 * * *

	(\$)
Original certificate of mailing for listed pieces of ordinary Outbound Single-Piece First-Class Package International Service	1.50
Three or more pieces individually listed in a firm mailing book or an approved customer provided manifest (per piece)	0.51
Each additional copy of original certificate of mailing or firm mailing bills (each copy)	1.50

Multiple Pieces Prices

	(\$)
Up to 1,000 identical-weight pieces (one certificate for total number)	8.75
Each additional 1,000 identical-weight pieces or fraction thereof	1.09
Duplicate copy	1.50

2615.2 Outbound Competitive International Registered Mail 2615.2.2 Prices
 * * *

	(\$)
Per Piece	16.00

2615.3 Outbound International Return Receipt 2615.3.2 Prices
 * * * *Outbound International Return Receipt*

	(\$)
Per Piece	4.15

Inbound International Return Receipt **2615.5 Outbound International Insurance** 2615.5.3 Prices
 No additional payment. * * * *Outbound International Insurance*
 a. Priority Mail International Insurance and Priority Mail Express International Merchandise Insurance

Indemnity limit not over (\$)	Price (\$)
1 200	0.00
300	6.75
400	8.40
500	10.05
600	11.70
700	13.35
800	15.00
900	16.65
Over 900	16.65 plus 1.65 for each 100.00 or fraction thereof over 900.00. Maximum indemnity varies by country.

Notes

¹ Insurance coverage is provided, for no additional charge, up to \$200.00 for merchandise, and up to \$100.00 for document reconstruction.

b. Global Express Guaranteed Insurance

	(\$)	(\$)	(\$)
Amount of coverage:			
0.01		to 100.00	0.00
100.01		to 200.00	1.25
200.01		to 300.00	2.50

	(\$)	(\$)	(\$)
300.01		to 400.00	3.75
400.01		to 500.00	5.00

For document reconstruction insurance or non-document insurance coverage above 500.00, add 1.25 per 100.00 or fraction thereof, up to a maximum of 2,499.00 per shipment. Maximum indemnity varies by country.

Up to	2,499.00	30.00
-------	----------	-------

2615.6 Custom Clearance and Delivery Fee 2615.6.2 Prices

* * *

	(\$)
Per Dutiable Item	6.50

2620 International Money Transfer Service—Outbound 2620.3 Prices
International Money Order

* * *

	(\$)
Per International Money Order	10.25
Inquiry Fee	7.60

Vendor Assisted Electronic Money Transfer

	Transfer amount		Per transfer (\$)
	Minimum amount (\$)	Maximum amount (\$)	
Electronic Money Transfer	0.01	750.00	14.55
Refund	750.01	1,500.00	20.75
Change of Recipient	0.01	1,500.00	31.95
Change of Recipient	0.01	1,500.00	16.95

Electronic Money Transfer **2630 Premium Forwarding Service**
[Reserved] * * *

* * *

2630.2 Prices

	(\$)
Online Enrollment (Commercial, Residential, and Local)	20.10
Retail Counter Enrollment (Residential Only)	21.90
Weekly Reshipment (Residential Only)	21.90
Per-Container Reshipment (Local Only)	21.90
Priority Mail Half Tray Box (Commercial Only)	24.40
Priority Mail Full Tray Box (Commercial Only)	44.50
Priority Mail Express Half Tray Box (Commercial Only)	56.15
Priority Mail Express Full Tray Box (Commercial Only)	110.80

* * *

2645 Competitive Ancillary Services 2645.1.2 Prices

2645.1 Adult Signature

* * *

	(\$)
Adult Signature Required	6.65
Adult Signature Restricted Delivery	6.90

2645.2 Package Intercept Service 2645.2.2 Prices
 * * *

	(\$)
Package Intercept Service	14.65

2645.3 Premium Data Retention and Retrieval Service

2645.3.1 Description

a. *Premium Data Retention and Retrieval Service allows a customer to request that the Postal Service retain: (1) scan data or (2) scan and signature data for the customer's packages beyond the Postal Service's standard data retention*

period, for up to ten years. The customer will be charged for the retrieval of any archived statement of tracking or signature letter.

b. *Premium Data Retention and Retrieval Service is available for packages shipped via Priority Mail Express, Priority Mail, First-Class Package Service, and Parcel Select. For*

Scan and Signature Retention on products other than Priority Mail Express, the customer must have purchased an underlying signature service, such as Signature Confirmation service.

2645.3.2 Prices

Data Retention (per package)

<i>Retention period</i>	<i>Scan Retention (\$)</i>	<i>Scan + Signature Retention (\$)</i>
<i>6 months</i>	<i>2.10</i>	<i>N/A</i>
<i>1 year</i>	<i>2.59</i>	<i>N/A</i>
<i>3 years</i>	<i>3.59</i>	<i>4.59</i>
<i>5 years</i>	<i>4.59</i>	<i>5.59</i>
<i>7 years</i>	<i>5.59</i>	<i>6.99</i>
<i>10 years</i>	<i>9.99</i>	<i>12.99</i>

Data Retrieval (per retrieved report)

<i>Archived Item</i>	(\$)
<i>Archive Statement of Tracking</i>	<i>9.99</i>
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FEDERAL REGISTER

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Part IV

The President

Proclamation 9947—General Pulaski Memorial Day, 2019
Executive Order 13893—Increasing Government Accountability for
Administrative Actions by Reinvigorating Administrative PAYGO

Presidential Documents

Title 3—

Proclamation 9947 of October 10, 2019

The President

General Pulaski Memorial Day, 2019

By the President of the United States of America

A Proclamation

On General Pulaski Memorial Day, we remember Brigadier General Casimir Pulaski, the great Polish hero who fought and died in America's noble pursuit of freedom during the Revolutionary War. We honor his bravery and unwavering commitment to liberty and self-government, and we pay tribute to the abiding friendship between the United States and Poland, which has prevailed since General Pulaski took up the sword on behalf of the American cause and helped forge our young Republic.

Throughout his military career, General Pulaski was renowned for his gallantry and skill on the battlefield. He fought courageously against the Russian Empire as Poland sought to secure its own freedom from foreign tyranny in the anti-Russian insurrection of 1768. Later, in 1777, that same conviction impelled him to journey to the United States and join General George Washington's Continental Army. At the Battle of Brandywine, Pulaski successfully covered the retreat of Washington's troops and saved the life of the future first President of the United States. To show his gratitude, Washington promoted Pulaski to Brigadier General and entrusted him to lead his own independent cavalry unit, "the Pulaski Legion," which included both American and foreign-born soldiers. This famous and formidable fighting force cemented Pulaski's status as the "Father of the American Cavalry."

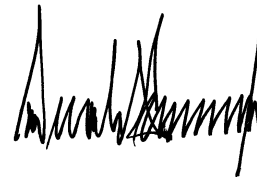
On October 11, 1779, Pulaski made the ultimate sacrifice for our Nation when he succumbed to battle wounds that were inflicted during an attempt to retake the city of Savannah from British forces two days earlier. Although he did not live to see the British surrender at Yorktown, his indispensable role in advancing the American quest for self-governance is uniquely part of our country's history. His undaunted spirit will forever be preserved in the hearts of those who take up the fight for liberty.

General Pulaski's tremendous legacy of fighting for freedom and democratic principles continues to inspire us today. His name is forever enshrined next to such luminaries as Winston Churchill and Mother Theresa as one of eight individuals in the history of our country to have received the distinction of Honorary Citizen from the Congress of the United States.

As we celebrate General Pulaski as a great hero of our Nation, we are reminded of the bonds that unite the United States and Poland. The long-standing and enduring friendship of our two countries is strengthened and renewed each day by the more than 9 million people of Polish descent who are citizens of the United States. We greatly cherish the cultural, economic, and security ties that bind us, and we look forward to a fruitful relationship in the years and decades to come.

NOW, THEREFORE, I, DONALD J. TRUMP, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States, do hereby proclaim October 11, 2019, as General Pulaski Memorial Day. I encourage all Americans to commemorate on this occasion those who have contributed to the furthering of our Nation.

IN WITNESS WHEREOF, I have hereunto set my hand this tenth day of October, in the year of our Lord two thousand nineteen, and of the Independence of the United States of America the two hundred and forty-fourth.

A handwritten signature in black ink, appearing to be "Donald Trump", located in the upper right quadrant of the page.

[FR Doc. 2019-22745
Filed 10-15-19; 11:15 am]
Billing code 3295-F0-P

Presidential Documents

Executive Order 13893 of October 10, 2019

Increasing Government Accountability for Administrative Actions by Reinvigorating Administrative PAYGO

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

Section 1. Purpose. In May 2005, the Office of Management and Budget (OMB) implemented a budget-neutrality requirement on executive branch administrative actions affecting mandatory spending. This mechanism, commonly referred to as “Administrative pay-as-you-go” (Administrative PAYGO), requires each executive department and agency (agency) to include one or more proposals for reducing mandatory spending whenever an agency proposes to undertake a discretionary administrative action that would increase mandatory spending.

In practice, however, agencies have applied this requirement with varying degrees of stringency, sometimes resulting in higher mandatory spending. Accordingly, institutionalizing and reinvigorating Administrative PAYGO through this order is a prudent approach to keeping mandatory spending under control.

Sec. 2. Policy. It is the policy of the executive branch to control Federal spending and restore the Nation’s fiscal security. This policy includes ensuring that agencies consider the costs of their administrative actions, take steps to offset those costs, and curtail costly administrative actions.

Sec. 3. Definitions. For the purposes of this order:

(a) the term “discretionary administrative action” means any administrative action that is not required by statute and that would impact mandatory spending, including, but not limited to, the issuance of any agency rule, demonstration, program notice, or guidance; and

(b) the term “increase” in the context of mandatory spending means an increase relative to the projection in the most recent President’s Budget, as described in 31 U.S.C. 1105, or Mid-Session Review, as described in 31 U.S.C. 1106, of what is required, under current law, to fund the mandatory-spending program.

Sec. 4. Scope. This order applies to discretionary administrative actions undertaken by agencies. If an agency determines that a proposed administrative action that would increase mandatory spending is required by statute and therefore is not a discretionary administrative action, the agency’s general counsel shall provide a written opinion to the Director of OMB (Director) explaining that legal conclusion, and the agency shall consult with OMB prior to taking further action.

Sec. 5. Agency Proposal Requirements. (a) Before an agency may undertake any discretionary administrative action, the head of the agency shall submit the proposed discretionary administrative action to the Director for review. Such submission shall include an estimate of the budgetary effects of such action.

(b) If an agency’s proposed discretionary administrative action would increase mandatory spending, the agency head’s submission under subsection (a) of this section shall include a proposal to undertake other administrative action(s) that would comparably reduce mandatory spending. Submissions to increase mandatory spending that do not include a proposal to offset such increased spending shall be returned to the agency for reconsideration.

The Director shall have the discretion to determine whether a proposed offset in mandatory spending is comparable to the relevant increase in mandatory spending, taking into account the magnitude of the offset and the increase and any other factors the Director deems appropriate.

Sec. 6. Issuance of Administrative PAYGO Guidance and Revocation of OMB PAYGO Memorandum. Within 90 days of the date of this order, the Director shall issue instructions regarding the implementation of this order, including how agency administrative action proposals that increase mandatory spending and non-tax receipts will be evaluated. In addition, within 90 days of the date of this order, the Director shall revoke OMB Memorandum M-05-13.

Sec. 7. Waiver. The Director may waive the requirements of section 5 of this order when the Director concludes that such a waiver is necessary for the delivery of essential services, for effective program delivery, or because a waiver is otherwise warranted by the public interest.

Sec. 8. Flexibility for the Director of OMB to Pursue Additional Deficit Reduction. The Director may pursue additional deficit reduction through agency administrative actions.

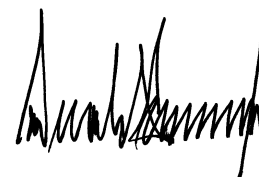
Sec. 9. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.



THE WHITE HOUSE,
October 10, 2019.

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Vol. 84, No. 200

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