

# Proposed Rules

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

## DEPARTMENT OF AGRICULTURE

### Agricultural Marketing Service

#### 7 CFR Part 1051

[Docket No. AO-15-0071; AMS-DA-14-0095]

#### Proposed California Federal Milk Marketing Order

**AGENCY:** Agricultural Marketing Service, USDA.

**ACTION:** Proposed rule.

**SUMMARY:** This document announces the ratification of the evidentiary record of the California Federal Milk Marketing Order (FMMO) rulemaking proceeding by the United States Department of Agriculture (USDA) Judicial Officer (JO).

**DATES:** March 19, 2018.

**FOR FURTHER INFORMATION CONTACT:** Erin Taylor, Acting Director, Order Formulation and Enforcement Division, USDA/AMS/Dairy Program, STOP 0231, Room 2969-S, 1400 Independence Ave. SW, Washington, DC 20250-0231, (202) 720-7311, email address: [erin.taylor@ams.usda.gov](mailto:erin.taylor@ams.usda.gov).

**SUPPLEMENTARY INFORMATION:** On February 5, 2015, AMS received a proposal from three dairy cooperatives requesting a hearing to promulgate a FMMO in California. Subsequently, AMS received additional proposals in April 2015. After publishing a notice of hearing on August 6, 2015 (80 FR 47210), AMS commenced a hearing on September 22, 2015, presided over by Administrative Law Judge (ALJ) Jill S. Clifton. At the conclusion of the hearing, AMS reviewed the hearing record and briefs filed subsequent to the hearing. AMS published the Recommended Decision and Opportunity to File Written Exceptions on February 14, 2017 (82 FR 10634).

On November 29, 2017, the Solicitor General of the United States submitted a brief to the U.S. Supreme Court in *Lucia v. Securities and Exchange Commission (Lucia)*, 868 F.3d 1021

(D.C. Cir. 2017) (en banc) (per curiam), *cert. granted*, No. 17-130 (U.S. January 12, 2018). The Government's position is that ALJs are "inferior officers" of the United States, subject to the Appointments Clause of Article II of the Constitution. The Solicitor General urged the Court to grant a writ of certiorari and resolve a circuit split concerning the Constitutional requirements for ALJ appointments. On January 12, 2018, the Court did so. The Court is expected to hear oral arguments in *Lucia* during the current term and to render its decision on or before the end of its term on June 30, 2018.

AMS published a final rule to amend the definition of "judge" in the rules of practice and procedure to formulate or amend a marketing agreement, marketing order, or certain research and promotion orders (82 FR 58097). The new definition adds a presiding official appointed by the Secretary as an official who may preside over the rulemaking hearing, in addition to an administrative law judge. AMS then published a delay of rulemaking on February 6, 2018 (83 FR 5215) indicating the agency's intention to await the U.S. Supreme Court decision on the *Lucia* case prior to proceeding further with the California FMMO rulemaking proceeding. Subsequently, effective February 14, 2018, the Secretary of Agriculture appointed the USDA JO to serve as the judge presiding over the formal rulemaking proceedings for the California FMMO. The Secretary instructed the JO to conduct an independent de novo review of the hearing record and either ratify or modify any decision made by the ALJ.

On March 9, 2018, the USDA JO completed his review and ratified all of ALJ Clifton's actions, including instructions regarding corrections to exhibits, rulings on objections, rulings on the admission of evidence, rulings on the conduct of the hearing, and rulings on requests for corrections to the transcript of the hearing. The JO ratified ALJ Clifton's Certification of the Transcript, except that he revised the list of exhibits that ALJ Clifton identified as not having been admitted into evidence by adding "Exhibit 108-Exhibit D" to that list.

Consequently, USDA will move forward with the California FMMO rulemaking proceeding by issuing and

publishing a final decision in the **Federal Register**.

Prior documents in this proceeding: *Notice of Hearing*: Issued July 27, 2015; published August 6, 2015 (80 FR 47210);

*Notice to Reconvene Hearing*: Issued September 25, 2015; published September 30, 2015 (80 FR 58636);

*Recommended Decision and Opportunity to File Written Exceptions*: Issued February 6, 2017; published February 14, 2017 (82 FR 10634);

*Documents for Official Notice*: Issued August 8, 2017; published August 14, 2017 (82 FR 37827);

*Information Collection—Producer Ballots*: Issued September 27, 2017; published October 2, 2017 (82 FR 45795); and

*Delay of Rulemaking*: Issued February 1, 2018; published February 6, 2018 (83 FR 5215).

**Authority:** 7 U.S.C. 601-674.

Dated: March 14, 2018.

**Bruce Summers,**

Acting Administrator, Agricultural Marketing Service.

[FR Doc. 2018-05543 Filed 3-16-18; 8:45 am]

**BILLING CODE 3410-02-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2018-0204; Product Identifier 2018-CE-003-AD]

RIN 2120-AA64

#### Airworthiness Directives; Costruzioni Aeronautiche Tecnam srl Airplanes

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

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

**SUMMARY:** We propose to adopt a new airworthiness directive (AD) for certain Costruzioni Aeronautiche Tecnam srl Model P2006T airplanes. This proposed AD results from mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and address an unsafe condition on an aviation product. The MCAI describes the unsafe condition as an incorrect part number

for the rudder trim actuator is referenced in the Airworthiness Limitations section of the FAA-approved maintenance program (e.g., maintenance manual) and the life limit for that part may not be properly applied in service. We are issuing this proposed AD to require actions to address the unsafe condition on these products.

**DATES:** We must receive comments on this proposed AD by May 3, 2018.

**ADDRESSES:** You may send comments by any of the following methods:

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov>. Follow the instructions for submitting comments.

- *Fax:* (202) 493-2251.

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

- *Hand Delivery:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this proposed AD, contact Costruzioni Aeronautiche Tecnam srl, Via Tasso, 478, 80127 Napoli, Italy, phone: +39 0823 620134, fax: +39 0823 622899, email: [airworthiness@tecnam.com](mailto:airworthiness@tecnam.com), internet: <https://www.tecnam.com/us/support/>. You may review this referenced service information at the FAA, Policy and Innovation Division, 901 Locust, Kansas City, Missouri 64106. For information on the availability of this material at the FAA, call (816) 329-4148.

### Examining the AD Docket

You may examine the AD docket on the internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2018-0204; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this proposed AD, the regulatory evaluation, any comments received, and other information. The street address for Docket Operations (telephone (800) 647-5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

### FOR FURTHER INFORMATION CONTACT:

Albert Mercado, Aerospace Engineer FAA, Small Airplane Standards Branch, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4119; fax: (816) 329-4090; email: [albert.mercado@faa.gov](mailto:albert.mercado@faa.gov).

### SUPPLEMENTARY INFORMATION:

#### Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposed AD. Send your comments to an address listed under the **ADDRESSES** section. Include “Docket No. FAA-2018-0204; Product Identifier 2018-CE-003-AD” at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this proposed AD. We will consider all comments received by the closing date and may amend this proposed AD because of those comments.

We will post all comments we receive, without change, to <http://www.regulations.gov>, including any personal information you provide. We will also post a report summarizing each substantive verbal contact we receive about this proposed AD.

#### Discussion

The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Community, has issued AD No. 2018-0029, dated January 31, 2018 (referred to after this as “the MCAI”), to address an unsafe condition for the specified products. The MCAI states:

It was identified that the Part Number (P/N) of the rudder trim actuator mentioned in the P2006T Aircraft Maintenance Manual (AMM) Airworthiness Limitations Section (ALS) document was erroneously mentioned. As a result, it cannot be excluded that the life limit applicable to this actuator is not being applied in service.

This condition, if not corrected, could lead to failure of the rudder control system, possibly resulting in reduced control of the aeroplane.

To address this potential unsafe condition, TECNAM published Service Bulletin (SB)-285-CS Ed. 1 Rev. 0 (later revised) to inform operators about this typographical error. It is expected that, during the next revision of the P2006T AMM ALS document, it will list the correct the P/N for that rudder trim actuator.

For the reason described above, this [EASA] AD requires implementation of a life limit for rudder trim actuator.

You may examine the MCAI on the internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2018-0204.

#### Related Service Information Under 1 CFR Part 51

Costruzioni Aeronautiche Tecnam srl has issued Service Bulletin No. SB 285-CS-Ed 1, Revision 2, dated February 2, 2018. The service information describes procedures for correcting the part number of the rudder trim actuator in

the Airworthiness Limitations section of the FAA-approved maintenance program (e.g., maintenance manual). This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section of this NPRM.

#### FAA’s Determination and Requirements of the Proposed AD

This product has been approved by the aviation authority of another country, and is approved for operation in the United States. Pursuant to our bilateral agreement with this State of Design Authority, they have notified us of the unsafe condition described in the MCAI and service information referenced above. We are proposing this AD because we evaluated all information and determined the unsafe condition exists and is likely to exist or develop on other products of the same type design.

#### Costs of Compliance

We estimate that this proposed AD will affect 20 products of U.S. registry. We also estimate that it would take about 1 work-hour per product to comply with the proposed requirement to incorporate a correction to the Airworthiness Limitations section of the FAA-approved maintenance program (e.g., maintenance manual). The average labor rate is \$85 per work-hour.

Based on these figures, we estimate the cost of this proposed AD on U.S. operators to be \$1,700, or \$85 per product.

#### Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA’s authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. “Subtitle VII: Aviation Programs,” describes in more detail the scope of the Agency’s authority.

We are issuing this rulemaking under the authority described in “Subtitle VII, Part A, Subpart III, section 44701: General requirements.” Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

This AD is issued in accordance with authority delegated by the Executive

Director, Aircraft Certification Service, as authorized by FAA Order 8000.51C. In accordance with that order, issuance of ADs is normally a function of the Compliance and Airworthiness Division, but during this transition period, the Executive Director has delegated the authority to issue ADs applicable to small airplanes, gliders, balloons, airships, domestic business jet transport airplanes, and associated appliances to the Director of the Policy and Innovation Division.

### Regulatory Findings

We determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD would not have a substantial direct effect on the States, on the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify this proposed regulation:

- (1) Is not a "significant regulatory action" under Executive Order 12866,
- (2) Is not a "significant rule" under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979),
- (3) Will not affect intrastate aviation in Alaska, and
- (4) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

### The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 14 CFR part 39 as follows:

### PART 39—AIRWORTHINESS DIRECTIVES

- 1. The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

#### § 39.13 [Amended]

- 2. The FAA amends § 39.13 by adding the following new AD:

**Costruzioni Aeronautiche Tecnam srl:**  
Docket No. FAA-2018-0204; Product Identifier 2018-CE-003-AD.

#### (a) Comments Due Date

We must receive comments by May 3, 2018.

#### (b) Affected ADs

None.

#### (c) Applicability

This AD applies to Costruzioni Aeronautiche Tecnam srl Model P2006T airplanes, all serial numbers that do not incorporate design change TECNAM modification (Mod) 2006/322 at production, certificated in any category.

#### (d) Subject

Air Transport Association of America (ATA) Code 27: Flight Controls.

#### (e) Reason

This AD was prompted by mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and address an unsafe condition on an aviation product. The MCAI describes the unsafe condition as an incorrect part number for the rudder trim actuator is referenced in the Airworthiness Limitations section of the FAA-approved maintenance program (*e.g.*, maintenance manual) and the life limit for that part may not be properly applied in service. We are issuing this AD to prevent failure of the rudder trim actuator, which could cause the rudder control system to fail. This failure could result in reduced control of the airplane.

#### (f) Actions and Compliance

Unless already done, do the following actions in paragraphs (f)(1) through (3) of this AD. The hours time-in-service (TIS) specified in paragraph (f)(1) of this AD are those accumulated on the rudder trim actuator, P/N B6-7T, since first installed on an airplane. If the total hours TIS are unknown, the hours TIS on the airplane must be used.

(1) Initially replace the rudder trim actuator, part number (P/N) B6-7T, at the compliance time in paragraphs (f)(1)(i) or (ii) of this AD that occurs later:

- (i) Before accumulating 1,000 hours TIS; or
- (ii) Within the next 25 hours TIS after the effective date of this AD or within the next 30 days after the effective date of this AD, whichever occurs first.

(2) After the initial replacement required in paragraph (f)(1) of this AD, repetitively thereafter replace the rudder trim actuator, P/N B6-7T at intervals not to exceed 1,000 hours TIS.

(3) Within the next 12 months after the effective date of this AD, revise the Airworthiness Limitations section of the FAA-approved maintenance program (*e.g.*, maintenance manual) incorporating the 1,000-hour life limit for the rudder trim actuator, P/N B6-7T, as specified in Costruzioni Aeronautiche Tecnam srl (TECNAM) Service Bulletin No. SB 285-CS-Ed 1, Revision 2, dated February 2, 2018.

#### (g) Credit for Actions Done Following Previous Service Information

This AD allows credit for compliance with paragraph (f)(3) of this AD if done before the effective date of this AD using TECNAM Service Bulletin No. SB 285-CS-Ed 1, Revision 1, dated November 7, 2017.

#### (h) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, Small Airplane Standards Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. Send information to ATTN: Albert Mercado, Aerospace Engineer, FAA, Small Airplane Standards Branch, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329-4119; fax: (816) 329-4090; email: [albert.mercado@faa.gov](mailto:albert.mercado@faa.gov). Before using any approved AMOC on any airplane to which the AMOC applies, notify your appropriate principal inspector (PI) in the FAA Flight Standards District Office (FSDO), or lacking a PI, your local FSDO.

#### (i) Related Information

Refer to MCAI European Aviation Safety Agency (EASA) AD No. 2018-0029, dated January 31, 2018; and Costruzioni Aeronautiche Tecnam srl Service Bulletin No. SB 285-CS-Ed 1, Revision 1, dated November 7, 2017, for related information. You may examine the MCAI on the internet at <http://www.regulations.gov> by searching for and locating Docket No. FAA-2018-0204. For service information related to this AD, contact Costruzioni Aeronautiche Tecnam srl, Via Tasso, 478, 80127 Napoli, Italy, phone: +39 0823 620134, fax: +39 0823 622899, email: [airworthiness@tecnam.com](mailto:airworthiness@tecnam.com), internet: <https://www.tecnam.com/us/support/>. You may review this referenced service information at the FAA, Policy and Innovation Division, 901 Locust, Kansas City, Missouri 64106. For information on the availability of this material at the FAA, call (816) 329-4148.

Issued in Kansas City, Missouri, on March 7, 2018.

#### Pat Mullen,

*Acting Deputy Director, Policy & Innovation Division, Aircraft Certification Service.*

[FR Doc. 2018-05138 Filed 3-16-18; 8:45 am]

**BILLING CODE 4910-13-P**

## SECURITIES AND EXCHANGE COMMISSION

### 17 CFR Part 274

[Release No. IC-33046; File No. S7-04-18]

RIN 3235-AM30

### Investment Company Liquidity Disclosure

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Proposed rule.

**SUMMARY:** The Securities and Exchange Commission is proposing amendments to its forms designed to improve the reporting and disclosure of liquidity information by registered open-end investment companies. The Commission is proposing a new requirement that