In the swaps market, a number of swap execution facilities (''SEFs'') provide for post-trade disclosure of the name of the counterparty, a practice that is known as ''name give-up.'' This protocol is a vestige of the pre-Dodd-Frank era, when few swaps were centrally cleared and market participants needed to know their counterparty's identity to manage the associated credit risk. Given the advent of central clearing, many have appropriately questioned the continuing need for post-trade name give-up for cleared swaps. Others have gone further, criticizing the practice as anticompetitive, an obstacle to broad and diverse participation on SEFs, and potentially inconsistent with numerous provisions of the Commodity Exchange Act (''CEA'') and Commission regulations.

In 2019, after considering responses to a request for comment on the issue,[5] the Commission issued a proposed rule (''Proposal'') to restrict name give-up such that trades that are executed anonymously on-SEF and cleared would remain anonymous after execution.[6] Public comments on the Proposal reflected a variety of differing viewpoints and interests. The agency carefully considered all comments in crafting the final rule we voted to approve today.

We believe the final rule reflects a balanced approach, is workable, and will improve overall market vibrancy. The rule prohibits name give-up for swaps that are executed anonymously and intended to be cleared. However, it does not apply to swaps that are not intended to be executed anonymously, such as trades done via a name-disclosed request for quote. The rule also includes a limited exception for package transactions[7] with at least one component that is an uncleared swap or a non-swap instrument. This exception reflects current technological and operational realities that require counterparty disclosure for the non-swap or non-cleared swap component of such trades.[8] In addition, the rule includes a phased implementation schedule to allow SEFs and market participants time to adjust to the changes.

We believe the rule's fundamental objective—protecting trading anonymity where it is possible to do so—is key to two statutory goals for the SEF regime: (1) Promoting swaps trading on SEFs[9] and (2) promoting fair competition among market participants, including through impartial access to a SEF's trading platform.[10] Indeed, we hope the rule will help attract a diverse set of additional market participants who have been deterred from trading on these platforms by the practice of post-trade name give-up, but remain interested in bringing liquidity and competition to SEFs.

The issue of name give-up can be a bit of a lightning rod, sometimes inciting passionate disagreements between stakeholders. We and CFTC staff stand ready to work with market participants and market operators to resolve any new issues that may arise as the rule is implemented. We hope that all parties to this debate can constructively move forward together toward the goals of sound derivatives regulation and robust financial markets.

[5] CFTC Request for Comment on Post-Trade Name Give-Up on Swap Execution Facilities, 83 FR 61,571 (Nov. 30, 2018).

[6] Post-Trade Name Give-Up on Swap Execution Facilities, 84 FR 72262 (Dec. 31, 2019).

[7] The rule defines a ''package transaction'' as ''consist[ing] of two or more component transactions executed between two or more counterparties where: (i) Execution of each component transaction is contingent upon the execution of all other component transactions; and (ii) the component transactions are priced or quoted together as one economic transaction with simultaneous or near-simultaneous execution of all components.''

[8] As noted in the preamble to the final rule, we urge SEFs and their participants to work towards an infrastructure that ultimately does support anonymous post-trade processing for packages including certain cleared non-swap components (*e.g.,* U.S. Treasuries). The preamble to the final rule also notes the Commission's intention to monitor market developments and evaluate the continued need for the package transaction exception in the future.

[9] CEA section 5h(e), 7 U.S.C. 7b–3(e). In this regard, the CFTC intends to complete a preliminary study of the state of swaps markets one year after the initial phase of the rule takes effect, and to follow up with further study after the rule has been in effect for three years.

[10] CEA section 3(b), 7 U.S.C. 5(b) (listing fair competition among market participants as a goal of the CEA); CEA section 5h(f)(2)(B)(i) (requiring a SEF to establish and enforce rules to provide participants impartial access to the market).

Appendix 3—Supporting Statement of Commissioner Brian Quintenz

I will vote in favor of today's final rule to prohibit post-trade name give-up practices for swaps executed, pre-arranged, or pre-negotiated anonymously on or pursuant to the rules of a swap execution facility (SEF) and intended-to-be-cleared (Final Rule).

As I have noted previously, I have concerns about the government banning an established trading practice that has evolved from natural market forces to support swaps liquidity provision. Client swap activity is inherently dealer and relationship-sourced. That is why the name-disclosed Request for Quote (RFQ) model has been highly favored over the anonymous Central Limit Order Book (CLOB) model in the client market. Although the Final Rule predicts that the ban on name give-up will result in increased participation and competition in the dealer-to-dealer market, I remain concerned that banning post-trade name give-up will negatively impact dealers' ability to hedge efficiently on existing inter-dealer platforms, which will ultimately lead to a degradation in the pricing and liquidity provision of swaps trading on dealer-to-client platforms. I am also doubtful that new entrants into the wholesale market will use the advantages of that participation to add any meaningful liquidity in the client market, making it even less certain that the benefits of enhanced competition hoped for in this Final Rule will be passed through to end-users.

Despite my concerns, I am supporting the Final Rule because it adopts an important exception from the prohibition, as well as an incremental approach that will give the Commission and market participants time to transition into compliance, observe the impact of the Final Rule, and make adjustments in the future, if necessary.

For example, the Final Rule includes a significant exception for package transactions that include a component transaction that is not a swap intended-to-be-cleared. The exception would include U.S. Treasury swap spread package trades involving an intended-to-be-cleared swap and a U.S. Treasury security component. These package transactions are rarely traded on dealer-to-client platforms, but make up a significant portion of volume on dealer-to-dealer platforms. Recognizing this important difference between markets is a small but necessary accommodation to ensure package trades can continue to be efficiently executed in light of this mandated change to market trading protocols.

The Final Rule also adopts staggered compliance deadlines, with the most liquid swaps coming into compliance first, and less liquid swaps becoming subject to the ban in July 2021. In the interim, the Commission plans to conduct a preliminary study of the Final Rule's impact on SEF trading by July 2021, with a further study to be conducted by July 2023. These studies will allow the Commission to assess if the ban on post-trade name give-up is, in fact, increasing competition and liquidity on SEFs, as the ban is intended to do. If a more fulsome analysis reveals that the ban has not yielded its expected benefits, or may not be appropriate for certain products given their liquidity profile, I expect further adjustments will be made to maintain a well-functioning swaps market.

Lastly, I would like to thank staff of the Division of Market Oversight for working with my staff to incorporate many of my comments into the Final Rule.

[FR Doc. 2020–14343 Filed 7–23–20; 8:45 am]

BILLING CODE 6351–01–P

DEPARTMENT OF HOMELAND SECURITY

U.S. Customs and Border Protection

19 CFR Part 122

[CBP Dec. 20–10]

Technical Amendment to List of User Fee Airports: Addition of Four Airports

AGENCY: U.S. Customs and Border Protection; DHS.

ACTION: Final rule; technical amendment.

SUMMARY: This document amends U.S. Customs and Border Protection (CBP) regulations by revising the list of user fee airports to reflect the designation of user fee status for four additional airports: New York Stewart International Airport in New Windsor, New York; Lakeland Linder International Airport in Lakeland, Florida; Boca Raton Airport in Boca Raton, Florida; and Ontario

International Airport in Ontario, California. User fee airports are those airports which, while not qualifying for designation as international or landing rights airports, have been approved by the Commissioner of CBP to receive, for a fee, the customs services of CBP officers for the processing of aircraft entering the United States, and the passengers and cargo of those aircraft.

DATES: Effective July 24, 2020.

FOR FURTHER INFORMATION CONTACT:
Chris Sullivan, Director, Alternative Funding Program, Office of Field Operations, U.S. Customs and Border Protection at *Christopher.J.Sullivan@cbp.dhs.gov* or 202–344–3907.

SUPPLEMENTARY INFORMATION:

Background

Title 19, part 122 of the Code of Federal Regulations (19 CFR part 122) sets forth regulations relating to the entry and clearance of aircraft in international commerce and the transportation of persons and cargo by aircraft in international commerce. Generally, a civil aircraft arriving from a place outside of the United States is required to land at an airport designated as an international airport. Alternatively, the pilot of a civil aircraft may request permission to land at a specific airport and, if landing rights are granted, the civil aircraft may land at that landing rights airport.

Section 236 of the Trade and Tariff Act of 1984 (Pub. L. 98–573, 98 stat. 2948, 2994 (1984)), codified at 19 U.S.C. 58b, created an option for civil aircraft desiring to land at an airport other than an international airport or a landing rights airport. A civil aircraft arriving from a place outside of the United States may ask for permission to land at an airport designated by the Commissioner of CBP [1] as a user fee airport.

Pursuant to 19 U.S.C. 58b, an airport may be designated as a user fee airport if the Commissioner of CBP determines that the volume or value of business at the airport is insufficient to justify the unreimbursed availability of customs services at the airport and the governor of the state in which the airport is located approves the designation. As the volume or value of business cleared through this type of airport is insufficient to justify the availability of customs services at no cost, customs services provided by CBP at the airport are not funded out of appropriations from the general treasury of the United States. Instead, customs services provided by CBP are paid for by the user fee airport. The fees charged must be paid by the user fee airport and must be in the amount equal to the expenses incurred by the Commissioner of CBP in providing customs services at such airport, including the salary and expenses of those employed by the Commissioner of CBP to provide the customs services. *See* 19 U.S.C. 58b.

The Commissioner of CBP designates airports as user fee airports in accordance with 19 U.S.C. 58b and pursuant to 19 CFR 122.15. User fee airports are designated on a case-by-case basis. If the Commissioner decides that the conditions for designation as a user fee airport are satisfied, a Memorandum of Agreement (MOA) is executed between the Commissioner of CBP and the user fee airport sponsor.

The list of designated user fee airports is set forth in 19 CFR 122.15(b). Periodically, CBP updates the list to reflect designated airports that have not yet been added to the list and to reflect any changes in the names of the designated user fee airports.

Recent Changes Requiring Updates to the List of User Fee Airports

This document updates the list of user fee airports in 19 CFR 122.15(b) by adding the following four airports: New York Stewart International Airport in New Windsor, New York; Lakeland Linder International Airport in Lakeland, Florida; Boca Raton Airport in Boca Raton, Florida; and Ontario International Airport in Ontario, California. During the last several years, the Commissioner of CBP signed MOAs designating each of these four airports as a user fee airport.[2]

Inapplicability of Public Notice and Delayed Effective Date Requirements

Under the Administrative Procedure Act (5 U.S.C. 553(b)), an agency is exempted from the prior public notice and comment procedures if it finds, for good cause, that such procedures are impracticable, unnecessary, or contrary to the public interest. This final rule makes conforming changes by updating the list of user fee airports to add four airports that have already been designated by the Commissioner of CBP in accordance with 19 U.S.C. 58b as user fee airports. Because this conforming rule has no substantive impact, is technical in nature, and does not impose additional burdens on or take away any existing rights or privileges from the public, CBP finds for good cause that the prior public notice and comment procedures are impracticable, unnecessary, and contrary to the public interest. For the same reasons, pursuant to 5 U.S.C. 553(d)(3), a delayed effective date is not required.

Regulatory Flexibility Act and Executive Orders 12866 and 13771

Because no notice of proposed rulemaking is required, the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) do not apply. This amendment does not meet the criteria for a "significant regulatory action" as specified in Executive Order 12866. Additionally, because this amendment is not a significant regulatory action it is not subject to the requirements of Executive Order 13771.

Paperwork Reduction Act

There is no new collection of information required in this document; therefore, the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3507) are inapplicable.

Signing Authority

This document is limited to a technical correction of CBP regulations. Accordingly, it is being signed under the authority of 19 CFR 0.1(b). The Acting Commissioner Mark A. Morgan, having reviewed and approved this document, is delegating the authority to electronically sign this document to Robert F. Altneu, who is the Director of the Regulations and Disclosure Law Division for CBP, for purposes of publication in the **Federal Register**.

List of Subjects in 19 CFR Part 122

Air carriers, Aircraft, Airports, Customs duties and inspection, Freight.

Amendments to Regulations

Part 122, of title 19 of the Code of Federal Regulations (19 CFR part 122) is amended as set forth below:

PART 122—AIR COMMERCE REGULATIONS

■ 1. The general authority citation for part 122 continues to read as follows:

[1] Sections 403(1) and 411 of the Homeland Security Act of 2002 (Pub. L. 107–296, 116 stat. 2135, 2178–79 (2002)), codified as amended at 6 U.S.C. 203(1) and 211, transferred certain functions, including the authority to designate user fee facilities, from the U.S. Customs Service of the Department of the Treasury to the Department of Homeland Security. The Secretary of Homeland Security delegated the authority to designate user fee facilities to the Commissioner of CBP through Department of Homeland Security Delegation, Sec. II.A., No. 7010.3 (May 11, 2006).

[2] The Commissioner of CBP signed an MOA designating Ontario International Airport on March 23, 2018; Boca Raton Airport on August 25, 2017; New York Stewart International Airport on June 21, 2017; and Lakeland Linder International Airport on November 16, 2016.

Authority: 5 U.S.C. 301; 19 U.S.C. 58b, 66, 1431, 1433, 1436, 1448, 1459, 1590, 1594, 1623, 1624, 1644, 1644a, 2071 note.

* * * * *

■ 2. In § 122.15, amend the table in paragraph (b) by adding entries for ''Boca Raton, Florida'', ''Lakeland, Florida'', ''New Windsor, New York'', and ''Ontario, California'' in alphabetical order to read as follows.

§ 122.15 User fee airports.

* * * * *

(b) * * *

Location	Name
* * *	* * * *
Boca Raton, Florida	Boca Raton Airport.
* * *	* * * *
Lakeland, Florida	Lakeland Linder International Airport.
* * *	* * * *
New Windsor, New York	New York Stewart International Airport.
Ontario, California	Ontario International Airport.
* * *	* * * *

* * * * *

Dated: July 14, 2020.

Robert F. Altneu,

Director, Regulations & Disclosure Law Division, Regulations & Rulings, Office of Trade, U.S. Customs and Border Protection.

[FR Doc. 2020–15475 Filed 7–23–20; 8:45 am]

BILLING CODE 9111–14–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

21 CFR Parts 1301 and 1309

[Docket No. DEA–501]

RIN 1117–AB51

Registration and Reregistration Fees for Controlled Substance and List I Chemical Registrants

AGENCY: Drug Enforcement Administration, Department of Justice.

ACTION: Final rule.

SUMMARY: The Drug Enforcement Administration (DEA) is adjusting the fee schedule for registration and reregistration fees necessary to recover the costs of its Diversion Control Program relating to the registration and control of the manufacture, distribution, dispensing, importation and exportation of controlled substances and list I chemicals as mandated by the Controlled Substances Act (CSA). This final rule adopts the notice of proposed rulemaking published on March 16, 2020, to change the fee schedule and codify existing practices of the issuance of refunds by DEA for applicant registration fees, without change.

DATES: This final rule is effective October 1, 2020. The new fee schedule will be in effect for all new applications submitted on or after October 1, 2020, and for all renewal applications submitted on or after October 1, 2020.

FOR FURTHER INFORMATION CONTACT: Scott A. Brinks, Regulatory Drafting & Policy Support Section (DPW), Diversion Control Division, Drug Enforcement Administration; Mailing Address: 8701 Morrissette Drive, Springfield, Virginia 22152; Telephone: (571) 362–3261.

I. Executive Summary

The Diversion Control Program

DEA's Diversion Control Program (DCP) is administered by the Diversion Control Division (DC). DC ensures the availability of controlled substances and listed chemicals for legitimate use in the United States. The DCP is responsible for maintaining a closed system of distribution by preventing diversion of controlled substances and listed chemicals in the United States and enforcing the provisions of the CSA for DEA. The DCP regulates over 1.8 million registrants, ensuring their compliance with the CSA.

Legal Authority

The DCP is a strategic component of DEA's law enforcement mission, which regulates the registration and control of the manufacture, distribution, dispensing, importation, and exportation of pharmaceutical controlled substances and listed chemicals. The DCP implements and enforces the CSA to help prevent, detect, and eliminate the diversion of controlled substances and listed chemicals into the illicit market while ensuring a sufficient supply of controlled substances and listed chemicals for legitimate medical, scientific, research, and industrial purposes.[1]

Under the CSA, DEA is authorized to charge reasonable fees relating to the registration and control of the manufacture, distribution, dispensing, import, and export of controlled substances and listed chemicals. 21 U.S.C. 821 and 958(f). DEA must set fees at a level that ensures the recovery of the full costs of operating the various aspects of its DCP. 21 U.S.C. 886a. Each year, DEA is required by statute to transfer the first $15 million of fee revenues into the general fund of the Treasury and the remainder of the fee revenues is deposited into a separate fund of the Treasury called the Diversion Control Fee Account (DCFA). 21 U.S.C. 886a(1). On at least a quarterly basis, the Secretary of the Treasury is required to reimburse DEA an amount from the DCFA ''in accordance with estimates made in the budget request of the Attorney General for those fiscal years'' for the operation of the DCP.[2] 21 U.S.C. 886a(1)(B) and (D). The first $15 million of fee revenues that are transferred to the Treasury do not support any DCP activities.

The Proposed Rule

DEA published a notice of proposed rulemaking (NPRM) on March 16, 2020, in the **Federal Register**, proposing new registration and reregistration fees for registrants, as well as proposing to codify existing practices of issuing refunds for these fees in limited

[1] The Attorney General's delegation of authority to DEA may be found at 28 CFR 0.100.

[2] The DCP consists of the pharmaceutical controlled substance and listed chemical diversion control activities of DEA. These activities are related to the registration and control of the manufacture, distribution, dispensing, importation, and exportation of controlled substances and listed chemicals (21 U.S.C. 886a(2)).