

submit the required documentation of legally enforceable floodplain management measures after this rule is published but prior to the actual suspension date. These communities will not be suspended and will continue to be eligible for the sale of NFIP flood insurance. A notice withdrawing the suspension of such communities will be published in the **Federal Register**.

In addition, FEMA publishes a Flood Insurance Rate Map (FIRM) that identifies the Special Flood Hazard Areas (SFHAs) in these communities. The date of the FIRM, if one has been published, is indicated in the fourth column of the table. No direct Federal financial assistance (except assistance pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act not in connection with a flood) may be provided for construction or acquisition of buildings in identified SFHAs for communities not participating in the NFIP and identified for more than a year on FEMA's initial FIRM for the community as having flood-prone areas (section 202(a) of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4106(a), as amended). This prohibition against certain types of Federal assistance becomes effective for the communities listed on the date shown in the last column. The Administrator finds that notice and public comment procedures under 5 U.S.C. 553(b), are impracticable and

unnecessary because communities listed in this final rule have been adequately notified.

Each community receives 6-month, 90-day, and 30-day notification letters addressed to the Chief Executive Officer stating that the community will be suspended unless the required floodplain management measures are met prior to the effective suspension date. Since these notifications were made, this final rule may take effect within less than 30 days.

National Environmental Policy Act. FEMA has determined that the community suspension(s) included in this rule is a non-discretionary action and therefore the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*) does not apply.

Regulatory Flexibility Act. The Administrator has determined that this rule is exempt from the requirements of the Regulatory Flexibility Act because the National Flood Insurance Act of 1968, as amended, Section 1315, 42 U.S.C. 4022, prohibits flood insurance coverage unless an appropriate public body adopts adequate floodplain management measures with effective enforcement measures. The communities listed no longer comply with the statutory requirements, and after the effective date, flood insurance will no longer be available in the communities unless remedial action takes place.

Regulatory Classification. This final rule is not a significant regulatory action under the criteria of section 3(f) of Executive Order 12866 of September 30, 1993, Regulatory Planning and Review, 58 FR 51735.

Executive Order 13132, Federalism. This rule involves no policies that have federalism implications under Executive Order 13132.

Executive Order 12988, Civil Justice Reform. This rule meets the applicable standards of Executive Order 12988.

Paperwork Reduction Act. This rule does not involve any collection of information for purposes of the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.*

List of Subjects in 44 CFR Part 64

Flood insurance, Floodplains.

Accordingly, 44 CFR part 64 is amended as follows:

PART 64—[AMENDED]

- 1. The authority citation for Part 64 continues to read as follows:

Authority: 42 U.S.C. 4001 *et seq.*; Reorganization Plan No. 3 of 1978, 3 CFR, 1978 Comp.; p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp.; p. 376.

§ 64.6 [Amended]

- 2. The tables published under the authority of § 64.6 are amended as follows:

State and location	Community No.	Effective date authorization/cancellation of sale of flood insurance in community	Current effective map date	Date certain Federal assistance no longer available in SFHAs
Region IV				
Florida: Saint Lucie County, Unincorporated Areas.	120285	May 31, 1974, Emerg; August 17, 1981, Reg; February 19, 2020, Susp.	Feb. 19, 2020	Feb. 19, 2020.

*-do- =Ditto.

Code for reading third column: Emerg. —Emergency; Reg. —Regular; Susp. —Suspension.

Dated: February 4, 2020.

Eric Letvin,

Deputy Assistant Administrator for Mitigation, Federal Insurance and Mitigation Administration—FEMA Resilience, Department of Homeland Security, Federal Emergency Management Agency.

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FEDERAL MARITIME COMMISSION

46 CFR Parts 503, 515, and 535

[Docket No. 19-06]

RIN 3072-AC77

Regulatory Amendments Implementing the Frank LoBiondo Coast Guard Authorization Act of 2018

AGENCY: Federal Maritime Commission.

ACTION: Final rule.

SUMMARY: The Federal Maritime Commission (Commission) is revising its regulations to implement the provisions of the Frank LoBiondo Coast Guard Authorization Act of 2018. The

proposed revisions include amendments to the regulations governing: Commission meetings; ocean transportation intermediary licensing, financial responsibility, and general duties, and the submission of public comments on ocean common carrier and marine terminal operator agreements. The revisions also include miscellaneous updates to the references to statutory provisions reorganized by the LoBiondo Act.

DATES: This rule is effective February 20, 2020.

FOR FURTHER INFORMATION CONTACT: Rachel E. Dickon, Secretary; Phone: (202) 523-5725; Email: *secretary@fmc.gov*.

SUPPLEMENTARY INFORMATION:

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I. Introduction

On December 4, 2018, the “Frank LoBiondo Coast Guard Authorization Act of 2018” was enacted as Public Law 115–282 (LoBiondo Act or Act). The LoBiondo Act made a number of changes affecting the Federal Maritime Commission (Commission) and the Shipping Act of 1984 (Shipping Act). These included the changes made in Title VII of the Act, referred to as the “Federal Maritime Commission Authorization Act of 2017,” as well as a miscellaneous provision in § 834 of the LoBiondo Act. By Notice of Proposed Rulemaking (NPRM) published in the **Federal Register** on October 9, 2019, the Commission proposed to revise its regulations to reflect the statutory changes. The Commission also invited comment on whether the statutory changes to the ocean transportation intermediary (OTI)¹ licensing requirements conflicted with the Commission’s regulatory requirement that only licensed OTIs may perform OTI services in the United States for registered non-vessel-operating common carriers (NVOCCs) and whether this requirement should therefore be removed.

The NPRM included a 30-day comment period, and the Commission received one comment. After consideration of the comment and for the reasons stated below, the Commission is adopting all of the proposed amendments without substantive change. In addition, the Commission has determined that the licensed U.S. agent requirement for registered NVOCCs conflicts with the statutory licensing and financial responsibility provisions as amended by the LoBiondo Act, and is removing that requirement.

¹ OTIs include non-vessel-operating common carriers (NVOCCs) and ocean freight forwarders (OFFs). 46 U.S.C. 40102(20).

II. Summary of NPRM

In the NPRM, the Commission focused on the statutory changes that warranted corresponding revisions to the Commission’s regulations. The proposed changes included:

- Revising several Commission regulations to update references to statutory provisions;
- Revising the regulations governing Commission meetings to include provisions on “nonpublic collaborative discussions,” a new type of meeting established by the LoBiondo Act that is not open to public observation;
- Revising the regulations governing OTI licensing and financial responsibility to reflect statutory changes to the types of persons that are required to be licensed and maintain a bond, insurance, or other surety;
- Revising the regulations governing the general duties of NVOCCs to reflect amendments to several prohibited acts; and
- Revising the regulations related to comments on filed ocean common carrier and marine terminal operator (MTO) agreements to reflect that such comments are now confidential and may not be disclosed by the Commission;

The Commission sought comment on these proposed revisions and on whether the Commission should remove the licensed U.S. agent requirement for registered NVOCCs.

Although beyond the scope of this current rulemaking, the Commission also invited comments on any regulatory changes necessary to implement other LoBiondo Act provisions not discussed in the NPRM.

III. Comment Summary

The Commission received a single comment from Hecny Brokerage Services, Inc., on its behalf and that of its affiliates (Hecny). Hecny is a licensed NVOCC. The comment is a letter addressed to the National Customs Brokers and Forwarders Association of America (NCBFAA), a trade association representing OTIs, air cargo agents, and customs brokers. About NCBFAA, https://www.ncbfaa.org/scripts/4disapi.dll/4DCGI/cms/review.html?Action=CMS_Document&DocID=503&MenuKey=about (last visited Dec. 23, 2019). The letter requests that the NCBFAA file comments on the October 9, 2019 NPRM opposing the elimination of the licensed U.S. agent requirement for registered NVOCCs. Hecny’s reasons for opposing this change are discussed in more detail in Section IV.C below. The Commission received no comments from NCBFAA.

IV. Revisions to Commission Regulations

A. References to Statutory Provisions (Parts 515, 530, 532, 545)

The LoBiondo Act amended 46 U.S.C. 41104 to revise several prohibited acts and added a new prohibited act. Public Law 115–282, 708. As part of those amendments, the Act changed the subsection designations in § 41104. The Commission is therefore revising its regulations to reflect the new subsection designations.

B. Commission Meetings (Part 503)

The LoBiondo Act amended 46 U.S.C. 303 to exclude certain Commission meetings from the requirements of the Government in the Sunshine Act (5 U.S.C. 552b). Public Law 115–282, 711(a). Under the revised statute, a majority of Commissioners may hold a meeting closed to the public to discuss Commission business if: (1) No vote or official Commission action is taken at the meeting; (2) only Commissioners and employees are present; (3) at least one Commissioner from each political party is present (assuming there are sitting Commissioners from more than one party); and (4) the Commission’s General Counsel is present. 46 U.S.C. 303(c).² The statute refers to these closed meetings as “nonpublic collaborative discussions.”

Although the Commission need not publicize such meetings beforehand or record a complete transcript or minutes, the Commission must, following the meeting, make publicly available a list of individuals present at the meeting and a summary of matters discussed, except for those matters the Commission determines may be withheld from the public under one of the applicable exemptions listed in the Sunshine Act. § 303(c)(2)–(3). For those matters withheld from the public, the Commission must provide a summary with as much general information as possible. § 303(c)(3). The required disclosures must be made within two business days after the meeting, unless the meeting relates to an ongoing proceeding before the Commission, in which case the disclosures must be made on the date of the final Commission decision. § 303(c)(2), (4); see S. Rep. No. 115–89 at 19.

Finally, the Act includes provisions clarifying that: (1) The Sunshine Act

² This exclusion was modeled on a similar provision in the Surface Transportation Board Reauthorization Act of 2015. See S. Rep. No. 115–89 at 19 (2017) (accompanying S. 1129, an earlier authorization bill that contained many of the provisions later incorporated into the LoBiondo Act); 49 U.S.C. 1303(a)(2).

continues to apply to all meetings other than nonpublic collaborative discussions as described in § 303(c), as well as to any information related to those discussions that the Commission proposes to withhold from the public; and (2) the provisions governing nonpublic collaborative discussions do not authorize the Commission to withhold records accessible to an individual under the Privacy Act of 1974 (5 U.S.C. 552a). § 303(b)(5)–(6).

The final rule includes a new section, § 503.84, in part 503 of the Commission's regulations mirroring the new provisions in 46 U.S.C. 303(c)(1)–(4) and makes necessary conforming revisions to other sections in that part.

C. OTI Licensing, Financial Responsibility, and General Duties (Part 515)

1. Licensing and Financial Responsibility

The LoBiondo Act amendments expanded the class of persons that must be licensed as OTIs and meet the OTI financial responsibility requirements to include persons that advertise or hold themselves out as OTIs. 46 U.S.C. 40901(a); 40902(a); Public Law 115–282, 707(a), (c). Previously, only persons that *acted* as OTIs were subject to the licensing and financial responsibility requirements.

The Commission is amending the general licensing and financial responsibility requirements in §§ 515.3 and 515.21 to reflect this change.³ The Commission expects this change to have minimal, if any, effects on the universe of entities that must meet the licensing and financial responsibility requirements. In general, an entity that advertises or holds itself out as an OTI also acts as an OTI, and the practical effect of the change is to make it easier for the Commission to enforce the licensing and financial responsibility requirements and prosecute noncompliant OTIs. Instead of having to show that a noncompliant entity actually *acted* as an OTI, the mere fact that an unlicensed entity advertised or held itself out as an OTI is now sufficient to show a violation of the statute.

As described in the NPRM, the LoBiondo Act also includes a new provision clarifying that the OTI licensing and financial responsibility requirements do not apply to a person “that performs [OTI] services on behalf

of an [OTI] for which it is a disclosed agent.” 46 U.S.C. 40901(c); Public Law 115–282, 707(b). The Commission tentatively determined in the NPRM that this statutory change might conflict with the Commission's regulations at 46 CFR 515.3 requiring that only licensed OTIs may act as U.S. agents to provide OTI services for registered NVOCCs (which are not licensed). As noted above, the Commission received only one comment on this rulemaking from Hecny, which opposed removing this requirement. For the reasons discussed below, the Commission has determined that this requirement, along with the complementary requirement in § 515.3 that registered NVOCCs must use licensed OTIs to provide NVOCC services in the United States, conflict with the new statutory provision at § 40901(c). The Commission is therefore revising § 515.3 to remove these requirements and making corresponding changes to § 515.4, which describes the circumstances when a license is not required.

The requirement that only licensed OTIs can provide OTI services on behalf of foreign-based, unlicensed NVOCC principals was originally promulgated after the enactment of the Ocean Shipping Reform Act of 1998 (OSRA), which for the first time required NVOCCs “in the United States” to be licensed. *See* Final Rule: Licensing, Financial Responsibility Requirements, and General Duties for Ocean Transportation Intermediaries, 64 FR 11156, 11156 (Mar. 8, 1999) (1999 Final Rule); Public Law 105–258, 116; S. Rep. 105–61, at 30–31 (1997). The legislative history of OSRA made clear that it was Congress's intent for the Commission “to determine when foreign-based entities conducting business in the United States are to be considered persons in the United States for the purposes of” the licensing requirements. *See* S. Rep. No. 105–61, at 31 (1997); 1999 Final Rule, 64 FR at 11156. In the rulemaking implementing this part of OSRA, the Commission considered several options for defining the class of persons required to have a license.

At one end of the spectrum, the Commission considered expansive requirements that would have required licenses for NVOCCs incorporated in the United States or with a physical presence in the United States through another person, *e.g.*, an agent, affiliate, or subsidiary (this option was rejected prior to the publication of the proposed rule). NPRM: Licensing, Financial Responsibility Requirements, and General Duties for Ocean Transportation Intermediaries, 63 FR 70710, 70710 (Dec. 22, 1998) (1998 NPRM). At the

other end, the Commission considered a narrow definition that would have only required licenses for NVOCCs incorporated in, resident in, maintaining a physical presence in, or established under the laws of the United States. *Id.* at 70710–70711. In the final rule, the Commission determined to adopt the current requirements, which fell between the two other approaches in terms of scope, concluding that this middle-of-the-road approach was “the most fair and equitable,” “would increase competition consistent with the intent of OSRA,” and represented “a good step towards leveling the playing field between OTIs in the United States who are within the Commission's jurisdictional reach and those who are outside of that reach.” 1999 Final Rule, 64 FR at 11157. The final rule provided that a person is considered to be “in the United States” if such person is resident in, or incorporated or established under, the laws of the United States, but required that only licensed OTIs act as agents providing OTI services in the United States for foreign-based, unlicensed NVOCCs. *See id.*; 46 CFR 515.3 (2000).

In 2006, an OTI petitioned the Commission for a declaratory order regarding the lawfulness of a *licensed* OTI using unlicensed agents to provide OTI services to the public. After receiving comments, the Commission rejected the petition, determining that the use of unlicensed agents was unlawful because an agent that provides OTI services “act[s] as an ocean transportation intermediary” and is thereby subject to the licensing requirement in section 19 of the Shipping Act (currently codified at 46 U.S.C. 40901(a)). *In the Matter of the Lawfulness of Unlicensed Persons Acting as Agents for Licensed Ocean Transportation Intermediaries—Pet'n for Declaratory Order*, 31 S.R.R. 185, 2008 FMC LEXIS 9 (FMC 2008). Landstar, a licensed NVOCC, petitioned the U.S. Court of Appeals for the D.C. Circuit to review the Commission's order. The court vacated the Commission's order, holding that “[a]gents providing NVOCC services for licensed NVOCC principals are not NVOCCs (or OFFs) solely by virtue of being agents of NVOCCs,” “[t]hey therefore fall outside the coverage of the statute's licensing requirement,” and “[t]he Commission lacks authority to compel those agents to obtain licenses.” 569 F.3d at 500.

On remand, the Commission granted the original petition, “but only to the extent consistent with the [c]ourt's decision in *Landstar* that it is lawful for a licensed OTI to engage an unlicensed

³ The proposed regulatory text in the NPRM inadvertently retained a reference to “acting as an ocean transportation intermediary” in § 515.21(a). The final rule does not include this phrase in light of the changes made by the LoBiondo Act.

person to act as its agent to perform OTI services on behalf of the disclosed licensed OTI.” *In the Matter of the Lawfulness of Unlicensed Persons Acting as Agents for Licensed Ocean Transportation Intermediaries—Pet’n for Declaratory Order*, 31 S.R.R. 1058, 2009 FMC LEXIS 25 (FMC 2009).

In 2014, the Commission proposed to amend § 515.3 to delete a requirement that separately incorporated branch offices be licensed when they serve as an agent for a licensed OTI. NPRM: Ocean Transportation Intermediary Licensing and Financial Responsibility Requirements, and General Duties, 79 FR 61544, 61545 (Oct. 10, 2014). The Commission proposed to retain the requirement that only licensed OTIs may perform OTI services in the United States for foreign-based, unlicensed NVOCCs, but to replace the term “unlicensed ocean transportation intermediary” with the term “registered NVOCC” to reflect the Commission requirement that foreign-based, unlicensed NVOCCs register with the Commission. *See id.*; Final Rule: Non-Vessel-Operating Common Carrier Negotiated Rate Arrangements; Tariff Publication Exemption, 78 FR 42866 (July 18, 2013). Some commenters argued that the requirement regulated agents in contravention of *Landstar*. *See* Final Rule: Ocean Transportation Intermediary Licensing and Financial Responsibility Requirements, and General Duties, 80 FR 68722, 68723 (Nov. 5, 2015). In response, the Commission recited the rationale for the requirement in the 1999 final rule and explained that the requirement was necessary in order to ensure that the distinction created by Congress between NVOCCs “in the United States” that require a license and foreign-based NVOCCs that do not require a license would not be thwarted. *Id.* The Commission further noted that the requirement had long been in effect and stated that it was consistent with *Landstar* in that it regulated the conduct of OTI principals, not agents. *Id.*

In its comment, Hecny argues that the focus of the LoBiondo Act was on carrier alliances and the need to provide additional powers to the Commission to protect terminal service and equipment providers. The company asserts that the changes to the OTI statutory provisions were intended to be “cosmetic” changes to reflect the *Landstar* decision, and there is no history indicating an intent to change the requirement relating to U.S. agents for registered NVOCCs. Hecny further states that it is unaware of any problems with the licensed U.S. agent requirement and that there are ample reasons supporting it. According

to Hecny, the requirement: (1) Enhances the Commission’s ability to timely receive responses to its requests because licensed entities are aware of the types of records responsive to such requests and know that they could lose their own license if they fail to act responsibly; and (2) gives customers confidence that they are being treated properly because a licensed entity is responsible for handling their goods and is held to the standards set forth in the Commission’s regulations. Hecny concludes by asserting that there is no reason for changing the current requirement and believes that serious problems could arise if U.S. agents are not licensed OTIs.

After considering the history of the licensed U.S. agent requirement, the language of the relevant LoBiondo Act provision, and the comment submitted, the Commission has determined that the requirement is inconsistent with the new provision at § 40901(c) and must be removed. Section 40901(c) plainly states that disclosed agents performing OTI services on behalf of OTIs are not required to be licensed. The provision does not distinguish between agents performing OTI services on behalf of licensed OTIs versus unlicensed or registered OTIs; all disclosed agents are exempt from the licensing requirement regardless of whether the OTI principal is licensed.

The relevant provisions of § 515.3 of the Commission’s regulations include dual complementary requirements: (1) Registered NVOCCs must use licensed OTIs to provide NVOCC services in the United States; and (2) only licensed OTIs may act as agents to provide OTI services in the United States for registered NVOCCs. These requirements are applicable to the registered NVOCC principal and not the U.S. agent, *i.e.*, if a U.S. agent performing OTI services for a registered NVOCC is unlicensed, the registered NVOCC, not the agent, is considered to have violated the regulation. *See* 80 FR at 68723. Regardless of whether the requirement applies to the registered NVOCC principal or the U.S. agent, however, the result is the same: U.S. agents performing OTI services on behalf of registered NVOCCs must have a license. This result clearly conflicts with § 40901(c) and the decision by Congress to exempt such agents from the licensing requirement. Under § 40901, as amended, the Commission lacks the authority to compel these U.S. agents to obtain licenses.⁴ *See Landstar*, 569 F.3d

⁴ Although disclosed agents of registered NVOCCs may not face the risk of noncompliance with the Commission’s regulations and potential civil

at 500 (holding that because agents providing NVOCC services for licensed NVOCCs principals “fall outside the coverage of the statute’s licensing requirement, . . . [t]he Commission lacks authority to compel those agents to obtain licenses”). In the absence of such authority, the relevant requirements in § 515.3 must be removed. *See id.*

The Commission respectfully disagrees with Hecny’s characterization of the LoBiondo Act’s changes to the OTI provisions as “cosmetic” changes to reflect the *Landstar* decision. In the NPRM, the Commission speculated that codifying the *Landstar* decision may have been Congress’s intent, but there is no legislative history to support this theory. In any event, it is presumed “that Congress ‘says in a statute what it means and means in a statute what it says there,’” *Rotkiske v. Klemm*, 205 L. Ed. 2d 291, 297 (2019) (quoting *Connecticut Nat’l Bank v. Germain*, 503 U.S. 249, 254 (1992)), and “neither courts nor federal agencies can rewrite a statute’s plain text to correspond to its supposed purposes.” *Landstar*, 569 F.3d at 498 (citing *Norfolk S. Ry Co. v. Sorrell*, 549 U.S. 158, 171 (2007); *Barnhart v. Simon Coal Co., Inc.*, 534 U.S. 438, 462 (2002)).

As the Commission indicated in the NPRM, § 40901(c) is broader than the holding in *Landstar*. The court in *Landstar* held that the Commission lacked authority to require that agents of licensed NVOCCs obtain licenses. The new § 40901(c) exempts agents performing OTI services on behalf of an OTI from the licensing and financial responsibility requirements. By its plain language, the exemption in § 40901(c) applies to both agents of NVOCCs and agents of OFFs, as NVOCCs and OFFs both fall within the statutory definition of “ocean transportation intermediary.” *See* 46 U.S.C. 40102(20).⁵ And the statutory language does not limit the applicability of the exemption based on whether the OTI principal is licensed, referring to persons that perform “ocean

penalties if they do not obtain the license, § 515.3 compels agents to obtain licenses because it prohibits registered NVOCCs from using unlicensed agents.

⁵ Although the *Landstar* decision focused on NVOCCs, the court remarked in dicta and the Commission has historically agreed that the same reasoning applies to agents of licensed OFFs. *See Landstar*, 569 F.3d at 499 (“But the Commission has no authority to require agents of OFFs who are not themselves OFFs to obtain OFF licenses, just as it has no authority to require agents of NVOCCs who are not themselves NVOCCs to obtain NVOCC licenses.”); *In the Matter of the Lawfulness of Unlicensed Persons Acting as Agents for Licensed Ocean Transportation Intermediaries—Pet’n for Declaratory Order*, 31 S.R.R. 1058, 2009 FMC LEXIS 25.

transportation intermediary services on behalf of an *ocean transportation intermediary*.” See 46 U.S.C. 40901(c) (emphasis added). The Commission has consistently interpreted this type of broad language as including both licensed OTIs and foreign-based, unlicensed NVOCCs that are registered with the Commission. See, e.g., *Petra-Pet, Inc. v. Panda Logistics Ltd.*, 33 S.R.R. 4, 2013 FMC LEXIS 37 (FMC 2013) (finding that a registered NVOCC violated 46 U.S.C. 41102(c), which provides, “A[n] . . . *ocean transportation intermediary* may not fail to establish, observe, and enforce just and reasonable regulations and practices relating to or connected with receiving, handling, storing, or delivering property” (emphasis added)).⁶ Therefore, contrary to Hecny’s contentions, § 40901(c) goes beyond the holding in the *Landstar* decision and applies to U.S. agents performing OTI services for registered NVOCCs as well as those performing services for licensed OTIs.

This Commission’s determination that the licensed U.S. agent requirement in 46 CFR 515.3 conflicts with 46 U.S.C. 40901(c) reflects the changed statutory landscape since the 2015 final rule. At that time, the Commission was considering whether the licensed U.S. agent requirement for registered NVOCCs conflicted with the *Landstar* decision. Notwithstanding some of the arguably broader dicta in the decision, the court in *Landstar* was focused on whether the agents performing OTI services for licensed NVOCCs were “act[ing] as” OTIs and thus subject to the licensing requirement in § 40901(a). In the 2015 final rule, the Commission considered not only the “act as” language in § 40901(a) and the *Landstar* decision, but also the other changes made to the licensing requirement by OSRA, specifically the language limiting the requirement to persons “in the United States.” As the Commission noted, the provision as amended imposed the licensing requirement on NVOCCs in the United States but not foreign-based NVOCCs, and the legislative history indicated clear Congressional intent that the Commission determine when foreign-based NVOCCs were to be considered to be “in the United States” and subject to the licensing requirement. 80 FR at 68723. Retaining the licensed U.S. agent

requirement reflected an appropriate balance that effectuated Congress’s desire for the Commission to distinguish between NVOCCs that must obtain a license and those that need not, while respecting the “act as” language and the *Landstar* decision by: (1) Limiting the requirement to U.S. agents of registered NVOCCs; and (2) applying the requirement only to registered NVOCC principals and not to agents.

The addition of § 40901(c), however, materially changes this analysis and warrants reconsideration of the licensed U.S. agent requirement. Rather than excluding agents from the licensing requirements based on the interpretation that they do not “act as an” OTI under § 40901(a), § 40901(c) creates an explicit exemption for such agents. Moreover, in the 2015 final rule, the Commission was dealing with multiple facets of a statutory provision enacted in a single piece of legislation. In contrast, the Commission is now faced with reconciling two provisions enacted by different Congresses over 20 years apart. Although the intent of Congress in 1998 was for the Commission to determine whether an NVOCC was “in the United States” and required to be licensed, the recently enacted § 40901(c) has the effect of limiting the Commission’s discretion by foreclosing the agency from requiring agents to obtain a license.

Based on the foregoing, the Commission is amending § 515.3 to remove the licensed U.S. agent requirement and to improve readability. The Commission is also making conforming amendments to § 515.4(b), which provides that agents of licensed OTIs are not required to have a license, by revising that provision to cover disclosed agents of any OTI.

The Commission shares some of Hecny’s concerns about the potential effects of removing the licensed U.S. agent requirement because U.S. shippers may no longer have the protection of dealing with a licensed agent when working with a foreign-based NVOCC. The Commission believes, however, that any potential negative effects will be mitigated given the Commission’s increased oversight over foreign-based, unlicensed NVOCCs, which have been required to register with the Commission since 2013. See 46 CFR 515.19. The Commission also notes that no other NVOCCs commented on the NPRM and, despite Hecny’s request, NCBFAA elected not to file a comment on this issue. This suggests that Hecny’s concerns may not be widely shared by the licensed NVOCC community.

Nevertheless, going forward, the Commission will closely monitor the

effect of removing the licensed U.S. agent requirement, and, if necessary, take appropriate action in the future to protect U.S. shippers. Such action may include reconsidering the financial responsibility requirements for foreign-based, registered NVOCCs or reconsidering the interpretation of when an NVOCC is “in the United States” under 46 U.S.C. 40901 and must obtain a license.

2. Common Carrier Prohibitions

The LoBiondo Act expanded the common carrier prohibition against knowingly and willfully accepting or transporting cargo for OTIs that do not meet certain Shipping Act requirements. See 46 U.S.C. 41104(a)(11); Public Law 115–282, 708(a)(2)(A). Previously, common carriers were prohibited from knowingly and willfully accepting or transporting cargo for an OTI that did not have a tariff *and* did not meet the OTI financial responsibility requirements. See 46 U.S.C. 41104(11) (2017). This wording, in effect, limited the prohibition to dealing with noncompliant NVOCCs, as OFFs are not required to have a tariff. See 46 CFR 515.19(g)(1)(vii); 515.27(a). The LoBiondo Act split the provision into two separate prohibitions in 46 U.S.C. 41104(a)(11). The first prohibits common carriers from knowingly and willfully accepting or transporting cargo from an NVOCC that does not have a tariff. The second prohibits common carriers from knowingly and willfully accepting or transporting cargo from an OTI (*i.e.*, NVOCC or OFF) that does not meet the financial responsibility requirements.

The Commission’s regulations at 46 CFR 515.19 and 515.27 reflect the earlier version of the prohibition (accepting or transporting cargo for noncompliant NVOCCs). The Commission is therefore amending these sections to reflect the new, broader statutory prohibition.

D. Comments on Filed Agreements (Part 535)

The LoBiondo Act made several changes to the provisions governing Commission action on agreements. In particular, the LoBiondo Act expanded on the existing requirement that the Commission transmit a notice of an agreement filing to the **Federal Register** within seven days, adding a requirement that the Commission request interested persons to submit relevant information and documents. 46 U.S.C. 40304(a)(2); Public Law 115–282, 706(a). Although the Commission already includes such requests in its **Federal Register** notices, see 46 CFR

⁶ The Commission notes that *Petra Pet* was decided under an earlier interpretation of 46 U.S.C. 41102. See Final Rule: Interpretive Rule, Shipping Act of 1984, 83 FR 64478 (Dec. 17, 2018); 46 CFR 545.4. The Commission’s revised interpretation of the section, however, affects only the types of actions covered by the prohibition, not the types of entities to which it applies.

535.603, adding this statutory provision renders such comments confidential under 46 U.S.C. 40306, which exempts “[i]nformation and documents . . . filed with the . . . Commission under [chapter 403]” from disclosure under the Freedom of Information Act. Previously, only information provided by the filing parties was protected from disclosure under § 40306. *See* Final Rule: Rules Governing Agreements by Ocean Common Carriers and Other Persons Subject to the Shipping Act of 1984, 49 FR 45320, 45336 (Nov. 15, 1984) (interpreting the provision (as originally enacted in the Shipping Act of 1984) as only protecting information provided by the filing parties).

In addition, the Act included a saving clause stating that nothing in § 706 of the Act or the amendments made to 46 U.S.C. 40304 may be construed to prescribe a specific deadline for the submission of relevant information and documents from interested persons in response to a request for comment on an agreement filing. Public Law 115–282, 706(c).

The Commission is revising its regulations in part 535 to address these changes. In particular, the final rule revises the procedures for submitting comments on filed agreements in § 535.603 to reflect that such comments are exempt from disclosure under FOIA and to make conforming changes to the list of confidentially submitted material in § 535.608. The final rule also revises the **Federal Register** notice requirements in § 535.602 to reflect the saving clause, namely that the Shipping Act may not be construed as prescribing a deadline for the submission of comments on filed agreements. Under revised § 535.602, **Federal Register** notices will no longer include a “final date” or rigid deadline for filing comments; rather, notices will include a date by which comments are most useful for the Commission’s analysis of an agreement, *e.g.*, when the agreement is subject to the statutory 45-day review period before going into effect.⁷ Comments received before that date will be considered by the Commission and staff in making determinations within the 45-day review period, while comments received after that date may be considered, to the extent practicable, within the 45-day review period or as part of the Commission’s continuing

review of the agreement after it goes into effect.

V. Rulemaking Analyses and Notices

Effective Date

The Administrative Procedure Act generally requires a minimum of 30 days before a final rule can go into effect, but excepts from this requirement: (1) Substantive rules which grant or recognize an exemption or relieve a restriction; (2) interpretive rules and statements of policy; and (3) when an agency finds good cause for a shorter period of time and includes those findings with the rule. 5 U.S.C. 553(d).

The majority of the changes made by this rule implement statutory changes made by the LoBiondo Act and involve limited, if any, exercise of discretion by the Commission. Notwithstanding the effective date for the regulatory changes in this final rule, regulated entities are currently subject to the amended statutory provisions, including the expanded scope of persons required to obtain an OTI license from the Commission under 46 U.S.C. 40901 and the expanded prohibition against knowingly and willfully accepting or transporting cargo for OTIs that do not meet certain Shipping Act requirements in 46 U.S.C. 41104(a)(11). Likewise, this final rule does not affect the Commission’s existing statutory authority to hold certain types of non-public meetings under 46 U.S.C. 303 or the confidentiality protections for third-party comments on filed agreements under 46 U.S.C. 40306. A delayed effective date is therefore unnecessary. In addition, a delayed effective date would lengthen the period during which the Commission’s regulations would be inconsistent with the revised statutory provisions, potentially causing confusion among regulated entities and other affected parties. A delayed effective date would therefore also be contrary to the public interest. For the foregoing reasons, the Commission finds good cause for these changes to be effective immediately.

Although the elimination of the licensed U.S. agent requirement for registered NVOCCs is likewise in response the statutory changes in the LoBiondo Act, the analysis above reflects that this change is more than a technical change to match the revised statutory text. Nonetheless, as this change relieves a restriction on registered NVOCCs and their U.S. agents, an immediate effective date for the change is warranted under 5 U.S.C. 553(d).

Congressional Review Act

The rule is not a “major rule” as defined by the Congressional Review Act, codified at 5 U.S.C. 801 *et seq.* The rule will not result in: (1) An annual effect on the economy of \$100,000,000 or more; (2) a major increase in costs or prices; or (3) significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based companies to compete with foreign-based companies. 5 U.S.C. 804(2).

Regulatory Flexibility Act

The Regulatory Flexibility Act (codified as amended at 5 U.S.C. 601–612) provides that whenever an agency promulgates a final rule after being required to publish a notice of proposed rulemaking under the Administrative Procedure Act (APA) (5 U.S.C. 553), the agency must prepare and make available a final regulatory flexibility analysis (FRFA) describing the impact of the rule on small entities, unless the head of the agency certifies that the rulemaking will not have a significant economic impact on a substantial number of small entities. 5 U.S.C. 604–605. Based on the analysis below, the Chairman of the Federal Maritime Commission certifies that this final rule will not have a significant economic impact on a substantial number of small entities.

Most of the final rule’s changes will clearly have no economic impact on any regulated entities, *i.e.*, updating references to statutory provisions, the amendments relating to nonpublic collaborative discussions by the Commission, and the amendments relating to comments on filed agreements.

With respect to the amendments to the regulations governing OTI licensing, financial responsibility, and general duties, the Commission recognizes that the majority of businesses affected by these proposed changes (OTIs) qualify as small entities under the guidelines of the Small Business Administration. The final rule will not, however, result in a significant economic impact on these entities. The regulatory changes include: (1) Expanding the class of entities that must obtain a license to include those holding themselves out or advertising as OTIs; (2) eliminating the requirement that U.S. agents of foreign-based, registered NVOCCs be licensed; and (3) expanding the prohibition on common carriers transporting cargo for noncompliant OTIs to include OFFs that have not met the financial responsibility requirements.

These changes are expected to have minimal, if any, economic impact. As

⁷ The proposed regulatory text in the NPRM expressly referenced the 45-day review period. The final rule does not include this reference, reflecting that certain types of filed agreements are effective on filing and are not subject to the review period. *See, e.g.*, 46 CFR 535.302, 535.311.

explained above, the Commission expects that requiring entities that hold themselves out or advertise as OTIs to obtain a license and bond, insurance, or other surety will have minimal, if any, effects on the universe of entities that must meet the licensing and financial responsibility requirements. In general, an entity that advertises or holds itself out as an OTI also acts as an OTI, and the practical effect of the change is to make it easier for the Commission to enforce the licensing and financial responsibility requirements and prosecute noncompliant OTIs. Further, to the extent that eliminating the license requirement for U.S. agents of foreign-based, registered NVOCCs has any effect, it will be to reduce the regulatory burden on those agents as well as registered NVOCCs.⁸ Finally, the changes to the prohibition on transporting cargo for noncompliant OTIs will have little, if any, economic impact on common carriers, including NVOCCs. NVOCCs will continue to be able to rely on the Commission's website, which contains an easily searchable database of OTIs, to ascertain both NVOCC and OFF compliance with the relevant requirements.

National Environmental Policy Act

The Commission's regulations categorically exclude certain rulemakings from any requirement to prepare an environmental assessment or an environmental impact statement because they do not increase or decrease air, water, or noise pollution or the use of fossil fuels, recyclables, or energy. 46 CFR 504.4. In addition to correcting references to statutory provisions, the proposed rule would make changes to the regulations governing Commission meetings in part 503, the regulations governing OTI licensing, financial responsibility, and general duties in part 515, and the regulations governing the submission of comments on filed agreements in part 535. This rulemaking thus falls within the categorical exclusion for actions regarding access to public information under part 503 (§ 504.4(a)(24)), actions related to the issuance, modification, denial and revocation of ocean transportation intermediary licenses (§ 504.4(a)(1)), and actions related to the consideration of agreements (§ 504.4(a)(9)–(13), (30)–

(35)). Therefore, no environmental assessment or environmental impact statement is required.

Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3521) (PRA) requires an agency to seek and receive approval from the Office of Management and Budget (OMB) before collecting information from the public. 44 U.S.C. 3507. The agency must submit collections of information in rules to OMB in conjunction with the publication of the notice of proposed rulemaking. 5 CFR 1320.11. This rule does not contain any collections of information as defined by 44 U.S.C. 3502(3) and 5 CFR 1320.3(c).

Executive Order 12988 (Civil Justice Reform)

This rule meets the applicable standards in E.O. 12988 titled, "Civil Justice Reform," to minimize litigation, eliminate ambiguity, and reduce burden.

Regulation Identifier Number

The Commission assigns a regulation identifier number (RIN) to each regulatory action listed in the Unified Agenda of Federal Regulatory and Deregulatory Actions (Unified Agenda). The Regulatory Information Service Center publishes the Unified Agenda in April and October of each year. You may use the RIN contained in the heading at the beginning of this document to find this action in the Unified Agenda, available at <http://www.reginfo.gov/public/do/eAgendaMain>.

List of Subjects

46 CFR Part 503

Freedom of Information, Privacy, Sunshine Act.

46 CFR Part 515

Freight, Freight forwarders, Maritime carriers, Reporting and recordkeeping requirements.

46 CFR Part 530

Freight, Maritime carriers, Reporting and recordkeeping requirements.

46 CFR Part 532

Common carriers, Exports, Maritime carriers, Reporting and recordkeeping requirements.

46 CFR Part 535

Administrative practice and procedure, Freight, Maritime carriers, Reporting and recordkeeping requirements.

46 CFR Part 545

Antitrust, Maritime carriers.

For the reasons set forth above, the Federal Maritime Commission is amending 46 CFR parts 503, 515, 530, 532, 535, and 545 as follows:

PART 503—PUBLIC INFORMATION

■ 1. The authority citation for part 503 is revised to read as follows:

Authority: 5 U.S.C. 331, 552, 552a, 552b, 553; 31 U.S.C. 9701; 46 U.S.C. 303; E.O. 13526 of January 5, 2010 75 FR 707, 3 CFR, 2010 Comp., p. 298, sections 5.1(a) and (b).

■ 2. Amend § 503.72 by revising paragraph (a) to read as follows:

§ 503.72 General rule—meetings.

(a) Except as otherwise provided in §§ 503.73, 503.74, 503.75, 503.76, and 503.84, every portion of every meeting and every portion of a series of meetings of the agency shall be open to public observation.

* * * * *

■ 3. Amend § 503.78 by revising paragraph (a) to read as follows:

§ 503.78 General rule—information pertaining to meeting.

(a) As defined in § 503.71, all information pertaining to a portion or portions of a meeting or portion or portions of a series of meetings of the agency shall be disclosed to the public unless excepted from such disclosure under §§ 503.79 through 503.81 or § 503.84.

* * * * *

■ 4. Add § 503.84 to subpart I to read as follows:

§ 503.84 Nonpublic Collaborative Discussions.

(a) *General.* Notwithstanding § 503.72, a majority of the Commissioners may hold a meeting that is not open to public observation to discuss official agency business if:

(1) No formal or informal vote or other official agency action is taken at the meeting;

(2) Each individual present at the meeting is a Commissioner or an employee of the Commission;

(3) At least one (1) Commissioner from each political party is present at the meeting, if there are sitting Commissioners from more than one party; and

(4) The General Counsel of the Commission is present at the meeting.

(b) *Disclosure of nonpublic collaborative discussions.* Except as provided under paragraph (c) of this section, not later than two (2) business days after the conclusion of a meeting

⁸ When originally proposing the licensed U.S. agent requirement in 1998, the Commission stated that it expected that most U.S. agents would already be licensed and the impact of the requirement would be *de minimis*. 1998 NPRM, 63 FR at 70714. The Commission expects that removing the requirement will likewise have minimal, if any, economic impact on registered NVOCCs or their U.S. agents.

under paragraph (a) of this section, the Commission shall make available to the public, in a place easily accessible to the public:

(1) A list of the individuals present at the meeting; and

(2) A summary of the matters discussed at the meeting, except for any matters the Commission properly determines may be withheld from the public under § 503.73.

(c) *Exception.* If the Commission properly determines matters may be withheld from the public under § 503.73, the Commission shall provide a summary with as much general information as possible on those matters withheld from the public.

(d) *Ongoing proceedings.* If a meeting under paragraph (a) of this section directly relates to an ongoing proceeding before the Commission, the Commission shall make the disclosure under paragraph (b) of this section on the date of the final Commission decision.

■ 5. Amend § 503.85 by revising paragraph (a) introductory text to read as follows:

§ 503.85 Agency recordkeeping requirements.

(a) In the case of any portion or portions of a meeting or portion or portions of a series of meetings determined by the agency to be closed to public observation under the provisions of §§ 502.73 through 503.75, the following records shall be maintained by the Secretary of the agency:

* * * * *

PART 515—LICENSING, FINANCIAL RESPONSIBILITY REQUIREMENTS, AND GENERAL DUTIES FOR OCEAN TRANSPORTATION INTERMEDIARIES

■ 6. The authority citation for part 515 continues to read as follows:

Authority: 5 U.S.C. 553; 31 U.S.C. 9701; 46 U.S.C. 305, 40102, 40104, 40501–40503, 40901–40904, 41101–41109, 41301–41302, 41305–41307; Pub. L. 105–383, 112 Stat. 3411; 21 U.S.C. 862.

■ 7. Revise § 515.3 to read as follows:

§ 515.3 License; when required.

(a) Except as otherwise provided in this part, no person in the United States may advertise, hold oneself out, or act as an ocean transportation intermediary unless that person holds a valid license issued by the Commission.

(b) For purposes of this part, a person is considered to be “in the United States” if such person is resident in, or incorporated or established under, the laws of the United States.

■ 8. Amend § 515.4 by revising paragraph (b) to read as follows:

§ 515.4 License; when not required.

* * * * *

(b) *Agents, employees, or branch offices of an ocean transportation intermediary.*

(1) A disclosed agent, individual employee, or branch office of an ocean transportation intermediary is not required to be licensed in order to act on behalf of and in the name of such ocean transportation intermediary.

(2) An ocean transportation intermediary must report branch offices to the Commission in Form FMC–18 or under the procedures in § 515.20(e).

(3) An ocean transportation intermediary is fully responsible for the acts and omissions of any of its employees and agents that are performed in connection with the conduct of the ocean transportation intermediary’s business.

* * * * *

■ 9. Amend § 515.19 by revising paragraph (g)(1)(vii) to read as follows:

§ 515.19 Registration of foreign-based unlicensed NVOCC.

* * * * *

(g) * * *

(1) * * *

(vii) Knowingly and willfully accepting cargo from or transporting cargo for the account of:

(A) an NVOCC that does not have a published tariff as required by 46 U.S.C. 40501 and part 520 of this chapter, and a bond, insurance, or other surety as required by 46 U.S.C. 40902 and this part; or

(B) an OFF that does not have a bond, insurance, or other surety as required by 46 U.S.C. 40902 and this part; and

* * * * *

■ 10. Amend § 515.21 by revising paragraph (a) introductory text, and paragraphs (a)(1), and (a)(2) to read as follows:

§ 515.21 Financial Responsibility Requirements.

(a) *Form and amount.* Except as otherwise provided in this part, no person may advertise, hold oneself out, or act as an ocean transportation intermediary unless that person furnishes a bond, proof of insurance, or other surety in a form and amount determined by the Commission to insure financial responsibility. The bond, insurance, or other surety covers the transportation-related activities of an ocean transportation intermediary.

(1) Any person in the United States advertising, holding oneself out, or acting as an ocean freight forwarder as

defined in § 515.2(m)(1) shall furnish evidence of financial responsibility in the amount of \$50,000.

(2) Any person in the United States advertising, holding oneself out, or acting as an NVOCC as defined in § 515.2(m)(2) shall furnish evidence of financial responsibility in the amount of \$75,000.

* * * * *

■ 11. Amend § 515.27 by revising paragraph (a), paragraph (b) introductory text, and paragraphs (b)(1), and (c) to read as follows:

§ 515.27 Proof of compliance—NVOCC.

(a) No common carrier may knowingly and willfully accept cargo from or transport cargo for the account of:

(1) An NVOCC that does not have a published tariff as required by 46 U.S.C. 40501 and part 520 of this chapter, and a bond, insurance, or other surety as required by 46 U.S.C. 40902 and this part; or

(2) An OFF that does not have a bond, insurance, or other surety as required by 46 U.S.C. 40902 and this part.

(b) A common carrier can obtain proof of an NVOCC or OFF’s compliance with the OTI licensing, registration, tariff and financial responsibility requirements by:

(1) Consulting the Commission’s website www.fmc.gov as provided in paragraph (d) of this section, to verify that the NVOCC or OFF has complied with the applicable licensing, registration, tariff, and financial responsibility requirements; or

* * * * *

(c) A common carrier that has employed the procedure prescribed in paragraph (b)(1) of this section shall be deemed to have met its obligations under 46 U.S.C. 41104(a)(11), unless the common carrier knew that such NVOCC or OFF was not in compliance with the applicable tariff or financial responsibility requirements.

* * * * *

PART 530—SERVICE CONTRACTS

■ 12. The authority citation for part 530 continues to read as follows:

Authority: 5 U.S.C. 553; 46 U.S.C. 305, 40301–40306, 40501–40503, 41307.

■ 13. Amend § 530.6 by revising paragraph (d) to read as follows:

§ 530.6 Certification of shipper status.

* * * * *

(d) *Reliance on NVOCC proof; independent knowledge.* An ocean common carrier, agreement or conference executing a service contract shall be deemed to have complied with

46 U.S.C. 41104(a)(12) upon meeting the requirements of paragraphs (a) and (b) of this section, unless the carrier party had reason to know such certification or documentation of NVOCC tariff and bonding was false.

PART 532—NVOCC NEGOTIATED RATE ARRANGEMENTS

■ 14. The authority citation for part 532 continues to read as follows:

Authority: 46 U.S.C. 40103.

■ 15. Amend § 532.2 by revising paragraph (e) to read as follows:

§ 532.2 Scope and applicability.

* * * * *

(e) The prohibition in 46 U.S.C. 41104(a)(2)(A);

* * * * *

■ 16. Amend § 532.7 by revising paragraph (c) to read as follows:

§ 532.7 Recordkeeping and audit.

* * * * *

(c) Failure to keep or timely produce original NRAs will disqualify an NVOCC from the operation of the exemption provided pursuant to this part, regardless of whether it has been invoked by notice as set forth above, and may result in a Commission finding of a violation of 46 U.S.C. 41104(a)(1), 41104(a)(2)(A) or other acts prohibited by the Shipping Act.

PART 535—OCEAN COMMON CARRIER AND MARINE TERMINAL OPERATOR AGREEMENTS SUBJECT TO THE SHIPPING ACT OF 1984

■ 17. The authority citation for part 535 continues to read as follows:

Authority: 5 U.S.C. 553; 46 U.S.C. 305, 40101–40104, 40301–40307, 40501–40503, 40901–40904, 41101–41109, 41301–41302, and 41305–41307.

■ 18. Amend § 535.602 by revising paragraph (b)(6) to read as follows:

§ 535.602 Federal Register notice.

* * * * *

(b) * * *

(6) A request for comments, including relevant information and documents, regarding the agreement and the date by which comments should be submitted in order to be most useful to the Commission's review of the agreement.

■ 19. Amend § 535.603 by revising paragraph (a) to read as follows:

§ 535.603 Comment.

(a) Persons may file with the Secretary written comments, including relevant information and documents, regarding a filed agreement. Commenters may submit the comment by email to

secretary@fmc.gov or deliver to Secretary, Federal Maritime Commission, 800 N Capitol St. NW, Washington, DC 20573–0001. The Commission will treat such comments as confidential in accordance with § 535.608.

* * * * *

■ 20. Amend § 535.608 by revising paragraph (a) to read as follows:

§ 535.608 Confidentiality of submitted material.

(a) Except for an agreement filed under 46 U.S.C. ch. 403, all information and documents submitted to the Commission by the filing party(ies) or third parties regarding an agreement will be exempt from disclosure under 5 U.S.C. 552. Included in this disclosure exemption is information provided in the Information Form, voluntary submission of additional information, reasons for noncompliance, replies to requests for additional information, and third-party comments.

* * * * *

PART 545—INTERPRETATIONS AND STATEMENTS OF POLICY

■ 21. The authority citation for part 545 continues to read as follows:

Authority: 5 U.S.C. 553; 46 U.S.C. 305, 40307, 40501–40503, 41101–41106, and 40901–40904; 46 CFR 515.23.

■ 22. Amend § 545.1 by revising paragraph (a) to read as follows:

§ 545.1 Interpretation of Shipping Act of 1984—Refusal to negotiate with shippers' associations.

(a) 46 U.S.C. 40502 authorizes ocean common carriers and agreements between or among ocean common carriers to enter into a service contract with a shippers' association, subject to the requirements of the Shipping Act of 1984 ("Act"). 46 U.S.C. 41104(a)(10) prohibits carriers from unreasonably refusing to deal or negotiate. 46 U.S.C. 40307(a)(3) exempts from the antitrust laws any activity within the scope of the Act, undertaken with a reasonable basis to conclude that it is pursuant to a filed and effective agreement.

* * * * *

By the Commission.

Rachel Dickon,
Secretary.

[FR Doc. 2020–02493 Filed 2–19–20; 8:45 am]

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DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 622

[Docket No. 200204–0046]

RIN 0648–BJ28

Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Reef Fish Fishery of the Gulf of Mexico; Red Snapper Management Measures

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Final rule.

SUMMARY: NMFS issues regulations to implement management measures described in a framework action to the Fishery Management Plan (FMP) for the Reef Fish Resources of the Gulf of Mexico (Gulf), as prepared by the Gulf of Mexico Fishery Management Council (Council). This final rule modifies the red snapper Federal charter vessel/headboat (for-hire) component's annual catch target (ACT) for the 2020 and subsequent fishing years. The purpose of this final rule and the framework action is to allow for greater harvest of red snapper by the Federal for-hire component while continuing to constrain landings to the Federal for-hire component and total recreational annual catch limits (ACL).

DATES: This final rule is effective March 23, 2020.

ADDRESSES: Electronic copies of the framework action, which includes an environmental assessment (EA), a regulatory impact review, and a Regulatory Flexibility Act (RFA) analysis may be obtained from the Southeast Regional Office website at <https://www.fisheries.noaa.gov/action/framework-action-fishery-management-plan-reef-fish-resources-gulf-mexico-modification>.

FOR FURTHER INFORMATION CONTACT:

Peter Hood, NMFS Southeast Regional Office, telephone: 727–824–5305, email: peter.hood@noaa.gov.

SUPPLEMENTARY INFORMATION: NMFS and the Council manage the Gulf reef fish fishery under the FMP. The FMP, which includes red snapper, was prepared by the Council and is implemented by NMFS through regulations at 50 CFR part 622 under the authority of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act)(16 U.S.C. 1801 *et seq.*).