

responsible for overseeing the process, ensuring senior management are appropriately trained and competent, ensuring processes are in place to identify, manage, monitor and control risk exposures (this function may be delegated to a board appointed committee), approving all major risk limits, and ensuring incentive compensation measures for senior management capture a full range of risks to the regulated entity or the Office of Finance.

#### *Responsibilities of the Board and Senior Management*

2. Regarding overall risk management processes, the board of directors and senior management should establish and sustain a culture that promotes effective risk management. This culture includes timely, accurate and informative risk reports, alignment of the overall risk profile of the regulated entity or the Office of Finance with its mission objectives, and the annual review of comprehensive self-assessments of material risks.

#### *Independent Risk Management Function*

3. A regulated entity or the Office of Finance should have an independent risk management function, or unit, with responsibility for risk measurement and risk monitoring, including monitoring and enforcement of risk limits.

\* \* \* \* \*

#### *Risk Measurement, Monitoring, and Control*

7. Each regulated entity and the Office of Finance should measure, monitor, and control its overall risk exposures, reviewing, as applicable, market, credit, liquidity, and operational risk exposures on both a business unit (or business segment) and enterprise-wide basis.

8. Each regulated entity and the Office of Finance should have the risk management systems to generate, at an appropriate frequency, the information needed to manage risk. As applicable, such systems should include systems for market, credit, operational, and liquidity risk analysis, asset and liability management, regulatory reporting, and performance measurement.

9. Each regulated entity and the Office of Finance should have a comprehensive set of risk limits and monitoring procedures to ensure that risk exposures remain within established risk limits, and a mechanism for reporting violations and breaches of risk limits to senior management and the board of directors.

10. Each regulated entity and the Office of Finance should ensure that it has sufficient controls around risk measurement models to ensure the completeness, accuracy, and timeliness of risk information.

11. Each regulated entity and the Office of Finance should have adequate and well-tested disaster recovery and business resumption plans for all major systems and have remote facilitates to limit the impact of disruptive events.

#### *Applicable Laws, Regulations, and Policies*

12. As applicable, each regulated entity and the Office of Finance should comply with all applicable laws, regulations, and

supervisory guidance (e.g., advisory bulletins) governing the management of risk.

\* \* \* \* \*

#### **Standard 10—Maintenance of Adequate Records**

1. Each regulated entity and the Office of Finance should maintain financial records in compliance with Generally Accepted Accounting Principles (GAAP), FHFA guidelines, and applicable laws and regulations.

2. Each regulated entity and the Office of Finance should ensure that assets are safeguarded and financial and operational information is timely and reliable.

3. Each regulated entity and the Office of Finance should have a records retention program consistent with laws and corporate policies, including accounting policies, as well as personnel that are appropriately trained and competent to oversee and implement the records management plan.

4. Each regulated entity and the Office of Finance, with oversight from its board of directors, should conduct a review and approval of the records retention program and records retention schedule for all types of records at least once every two years.

5. Each regulated entity and the Office of Finance should ensure that reporting errors are detected and corrected in a timely manner.

6. Each regulated entity and the Office of Finance should comply with all applicable laws, regulations, and supervisory guidance (e.g., advisory bulletins) governing the maintenance of adequate records.

**Sandra L. Thompson,**

*Director, Federal Housing Finance Agency.*

[FR Doc. 2023-09320 Filed 5-3-23; 8:45 am]

**BILLING CODE 8070-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

### **17 CFR Parts 232 and 240**

[Release Nos. 33-11180; 34-97405; File No. S7-06-22]

**RIN 3235-AM93**

### **Reopening of Comment Period for Modernization of Beneficial Ownership Reporting**

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Proposed rule; reopening of comment period.

**SUMMARY:** The Securities and Exchange Commission (“Commission”) is reopening the comment period for its proposal, *Modernization of Beneficial Ownership Reporting*, Release No. 33-11030, (Feb. 10, 2022) (“Proposing Release”). In the Proposing Release, the Commission proposed to amend certain rules that govern beneficial ownership reporting (“Proposed Amendments”).

The Proposed Amendments would modernize the filing deadlines for initial and amended beneficial ownership reports filed on Schedules 13D and 13G. The Proposed Amendments also would deem holders of certain cash-settled derivative securities as beneficial owners of the reference equity securities and clarify the disclosure requirements of Schedule 13D with respect to derivative securities. In addition, the Proposed Amendments would clarify and affirm the operation of the beneficial ownership reporting rules as applied to two or more persons that form a group under the Securities Exchange Act of 1934, and provide new exemptions to permit such persons to communicate and consult with each other, jointly engage issuers, and execute certain transactions without being subject to regulation as a group. Finally, the Proposed Amendments would require that Schedules 13D and 13G be filed using a structured, machine-readable data language. The Commission is reopening the comment period to allow interested persons an opportunity to comment on the additional analysis and data contained in a staff memorandum that was added to the public comment file on April 28, 2023.

**DATES:** The comment period for the Proposing Release published March 10, 2022, at 87 FR 13846, is reopened. Comments should be received on or before June 27, 2023.

**ADDRESSES:** Comments may be submitted by any of the following methods:

#### *Electronic Comments*

- Use the Commission’s internet comment form (<https://www.sec.gov/rules/submitcomments.htm>); or

#### *Paper Comments*

- Send paper comments to Vanessa A. Countryman, Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to File Number S7-06-22. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method of submission. The Commission will post all submitted comments on the Commission’s website (<https://www.sec.gov/rules/proposed.shtml>). Comments also are available for website viewing and printing in the Commission’s Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10

a.m. and 3 p.m. Operating conditions may limit access to the Commission's Public Reference Room. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection.

Studies, memoranda, or other substantive items may be added by the Commission or staff to the comment file during this rulemaking. A notification of the inclusion in the comment file of any such materials will be made available on the our website. To ensure direct electronic receipt of such notifications, sign up through the "Stay Connected" option at [www.sec.gov](http://www.sec.gov) to receive notifications by email.

**FOR FURTHER INFORMATION CONTACT:** Nicholas Panos, Senior Special Counsel, and Valian Afshar, Special Counsel, in the Office of Mergers and Acquisitions, Division of Corporation Finance, at (202) 551-3440, U.S. Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

**SUPPLEMENTARY INFORMATION:** This release relates to the Commission's Proposed Amendments to 17 CFR 240.13d-1 ("Rule 13d-1"), 17 CFR 240.13d-2 ("Rule 13d-2"), 17 CFR 240.13d-3 ("Rule 13d-3"), 17 CFR 240.13d-5 ("Rule 13d-5"), 17 CFR 240.13d-6 ("Rule 13d-6") and 17 CFR 240.13d-101 ("Rule 13d-101"), under the Securities Exchange Act of 1934<sup>1</sup> ("Exchange Act").<sup>2</sup> We also are proposing amendments to 17 CFR 232.13 ("Rule 13 of Regulation S-T") and 17 CFR 232.201 ("Rule 201 of Regulation S-T") under 17 CFR part 232 ("Regulation S-T").<sup>3</sup>

## I. Background

As described more fully in the Proposing Release, the Commission proposed to amend certain rules to modernize the beneficial ownership reporting requirements.<sup>4</sup> The Proposed

Amendments would, among other things:

1. Revise the Rule 13d-1(a) filing deadline for the initial Schedule 13D to five days after the date on which a person acquires more than 5% of a covered class of equity securities;<sup>5</sup> and amend Rules 13d-1(e), (f), and (g) to shorten the filing deadline for the initial Schedule 13D required to be filed by certain persons who forfeit their eligibility to report on Schedule 13G in lieu of Schedule 13D to five days after the event that causes the ineligibility;

2. Revise the filing deadline under Rule 13d-2(a) for amendments to Schedule 13D to one business day after the date on which a material change occurs;

3. Amend Rules 13d-1(b) and (d) to shorten the deadline for the initial Schedule 13G filing for Qualified Institutional Investors<sup>6</sup> and Exempt Investors to within five business days after the last day of the month in which beneficial ownership first exceeds 5% of a covered class; and amend the deadline in Rule 13d-1(c), which permits Passive Investors to file an initial Schedule 13G in lieu of Schedule 13D within 10 days after acquiring beneficial ownership of more than 5% of a covered class, to five days after the date of such an acquisition;

4. Revise the filing deadline for amendments to Schedule 13G in Rule 13d-2(b) to five business days after the end of the month in which a reportable change occurs;<sup>7</sup> and amend Rule 13d-2(c) to shorten the filing deadline for Schedule 13G amendments filed pursuant to that provision to five days after the date on which beneficial ownership first exceeds 10% of a covered class, and thereafter upon any deviation by more than 5% of the covered class, with these requirements applying if the thresholds were crossed at any time during a month;<sup>8</sup>

<sup>5</sup> As used in this release, a "covered class" is a class of equity securities described in Section 13(d)(1) of the Exchange Act and Rule 13d-1(i) and generally means, with limited exception, a voting class of equity securities registered under Section 12 of the Exchange Act.

<sup>6</sup> Capitalized terms not defined in this release have the meaning set forth in the Proposing Release.

<sup>7</sup> The Proposed Amendments also would revise Rule 13d-2(b) to require that an amendment to a Schedule 13G be filed only if a "material change" occurs instead of an amendment obligation arising for Schedule 13G filers upon the occurrence of "any change" in the facts previously reported regardless of the materiality of such change.

<sup>8</sup> The Proposed Amendments also would revise the Rule 13d-2(d) filing deadline for Schedule 13G amendments filed pursuant to that provision from a "promptly" standard to one business day after the date on which beneficial ownership exceeds 10% of a covered class, and thereafter upon any deviation by more than 5% of the covered class.

5. Add new paragraph (e) to Rule 13d-3 to deem holders of certain cash-settled derivative securities as beneficial owners of the reference covered class and amend Item 6 to Schedule 13D to remove any implication that a person is not required to disclose interests in all derivative securities that use a covered class as a reference security;

6. Amend Rule 13d-5 to align the text of that rule, as applicable to two or more persons who act as a group, with the statutory language in Sections 13(d)(3) and (g)(3) of the Exchange Act and add a new provision in Rule 13d-5 that would affirm that if a person, in advance of filing a Schedule 13D, discloses to any other person that such filing will be made with the purpose of causing that other person to acquire securities in the covered class for which the Schedule 13D will be filed and such other person acquires securities in the covered class, then those persons are deemed to have formed a group within the meaning of Section 13(d)(3);

7. Add new Rule 13d-6(c), which would set forth the circumstances under which two or more persons may communicate and consult with one another and engage with an issuer without concern that they will be subject to regulation as a group with respect to the issuer's equity securities;<sup>9</sup> and

8. Require that Schedules 13D and 13G be filed using a structured, machine-readable data language.<sup>10</sup>

## II. Reopening of Comment Period

Since the publication of the Proposing Release, the staff of the Division of Economic and Risk Analysis has prepared a memorandum that provides supplemental data and analysis related to certain economic effects of the Proposed Amendments.<sup>11</sup>

<sup>9</sup> The Proposed Amendments also would add new Rule 13d-6(d) to set forth the circumstances under which two or more persons may enter into an agreement governing a derivative security in the ordinary course of business without concern that they will become subject to regulation as a group with respect to the derivative's reference equity securities.

<sup>10</sup> The Proposed Amendments also would: (1) revise Rule 13(a) of Regulation S-T to permit Schedules 13D and 13G, and any amendments thereto, that are submitted by direct transmission on or before 10 p.m. eastern time on a given business day to be deemed to have been filed on the same business day to provide additional time for beneficial owners to prepare and submit their Schedule 13D or Schedule 13G filings; and (2) amend Rule 201(a) of Regulation S-T to make the temporary hardship exemption set forth in that rule—which applies to unanticipated technical difficulties preventing the timely preparation and submission of an electronic filing—unavailable to Schedules 13D and 13G filings.

<sup>11</sup> Memorandum of the Staff of the Division of Economic and Risk Analysis, *Supplemental data*

<sup>1</sup> 15 U.S.C. 78a *et seq.*

<sup>2</sup> Unless otherwise noted, when we refer to the Exchange Act, or any paragraph of the Exchange Act, we are referring to 15 U.S.C. 78a *et seq.* of the United States Code, at which the Exchange Act is codified, and when we refer to rules under the Exchange Act, or any paragraph of these rules, we are referring to title 17, part 240 of the Code of Federal Regulations [17 CFR part 240], in which these rules are published.

<sup>3</sup> Unless otherwise noted, when we refer to Regulation S-T, or any paragraph of the rules thereunder, we are referring to title 17, part 232 of the Code of Federal Regulations [17 CFR part 232], in which these rules are published.

<sup>4</sup> See *Modernization of Beneficial Ownership Reporting*, Release Nos. 33-11030; 34-94211 (Feb. 10, 2022) [87 FR 13846 (Mar. 10, 2022)].

We believe that the information presented in the memorandum has the potential to be informative for purposes of further evaluating the Proposed Amendments. We are, therefore, reopening the comment period to permit interested parties to comment on the staff memorandum, which has been included in the comment file. We encourage any interested person to submit comments, including comments on the data or methodology used in the analysis contained in the memorandum and on how this analysis should inform our consideration of the benefits and costs of the Proposed Amendments. If any commenters who have already submitted a comment letter wish to provide supplemental or updated comments, we encourage them to do so. Comments are of particular assistance if accompanied by supporting data and analysis of the issues addressed in those comments.

Dated: April 28, 2023.

By the Commission.

**Vanessa A. Countryman,**  
Secretary.

[FR Doc. 2023-09454 Filed 5-3-23; 8:45 am]

**BILLING CODE 8011-01-P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 117

[Docket No. USCG-2023-0187]

RIN 1625-AA09

#### Drawbridge Operation Regulation; Black River, Lorain, OH

**AGENCY:** Coast Guard, DHS.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Coast Guard proposes to modify the operating schedule that governs the Charles Berry Bridge, mile 0.6, and the Norfolk Southern Railroad Bridge, mile 1.2, both over the Black River. The regulation has not been updated since 1986. The Coast Guard's proposed revisions will ensure the needs of all modes of transportation are being met.

**DATES:** Comments and relate material must reach the Coast Guard on or before July 3, 2023.

**ADDRESSES:** You may submit comments identified by docket number USCG-

*and analysis on certain economic effects of proposed amendments regarding the reporting of beneficial ownership (Apr. 28, 2023), available at <https://www.sec.gov/comments/s7-06-22/s70622.htm>.*

2023-0187 using Federal Decision-Making Portal at <https://www.regulations.gov>.

See the "Public Participation and Request for Comments" portion of the **SUPPLEMENTARY INFORMATION** section below for instructions on submitting comments.

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this proposed rule, call or email. If you have questions on this temporary final rule, call or email Mr. Lee D. Soule, Bridge Management Specialist, Ninth Coast Guard District; telephone 216-902-6085, email [Lee.D.Soule@uscg.mil](mailto:Lee.D.Soule@uscg.mil).

#### SUPPLEMENTARY INFORMATION:

##### I. Table of Abbreviations

CFR Code of Federal Regulations  
CRSTF Cuyahoga River Safety Task Force  
DHS Department of Homeland Security  
FR Federal Register  
IGLD International Great Lakes Datum of 1985  
LWD Low Water Datum based on IGLD85  
OMB Office of Management and Budget  
PAWSA Ports and Waterway Safety Assessment  
NPRM Notice of Proposed Rulemaking § Section  
U.S.C. United States Code

##### II. Background, Purpose, and Legal Basis

The Black River is a tributary of Lake Erie, created at the confluence of the east and west branches of the Black River at Elyria, Ohio. It then travels 12 miles to empty into Lake Erie at Lorain, Ohio. Large commercial vessels and powered and non-powered recreational vessels use the river. Most of the recreational vessels using the waterway moor in the outer harbor basin or launch from one of the two municipal boat ramp locations. The head of navigation is located at approximate river mile 3, just past the former U.S. Steel Dock on the south side of Lorain. The river continues to Elyria, Ohio with water depths reported less than 6-feet based on LWD. There are no detours available for vessels to avoid passing through the bridges.

Three bridges cross the river at Lorain, two drawbridges and one fixed. The Charles Berry Bridge, mile 0.6, is a double leaf bascule bridge that provides a horizontal clearance of 148-feet and a vertical clearance of 33-feet at center above LWD in the closed position and an unlimited clearance in the open position. The Norfolk Southern Railroad Bridge, mile 1.2, is a vertical lift bridge that provides a horizontal clearance of 205-feet and a vertical clearance of 35-feet in the closed position above LWD and 123-feet in the open position above

LWD. The Lofton Henderson Memorial Bridge, mile 2, is a fixed bridge that provides a horizontal clearance of 256-feet and a vertical clearance of 97-feet based on LWD.

The Charles Berry Bridge, mile 0.6, is governed by 33 CFR 117.850, allowing the bridge to only open twice an hour and operate in evenings with a 2-hour advance notice. The Norfolk Southern Railroad Bridge, mile 1.2, does not have operating regulations.

##### III. Discussion of Proposed Rule

On August 7, 1986, we published in the **Federal Register** (51 FR 28380), on request of the Lorain County Engineer, to limit bridge movements and prevent traffic congestion at the bridge. In the intervening 37 years, several riverfront businesses that received maritime traffic have closed and/or been removed, to include two steel mills at the head of navigation, an iron ore terminal, a coal fired power plant, and Ford Lorain Assembly Plant. These changes have impacted traffic at the Charles Berry Bridge, mile 0.6, reducing the number of vessels visiting the harbor and reducing the number of workers traveling to and from work over the bridges.

According to the Ohio Department of Transportation Data Management System, since 1986, vehicle crossings at the Charles Berry Bridge, mile 0.6, have decreased year over year. In 2022, the annual daily average vehicle crossing was 2,161 vehicles, a decline of almost 45% in vehicle crossings since 1986.

The Charles Berry Bridge, mile 0.6, provides 33-feet of vertical clearance above LWD and the current regulation requires the bridge to open on signal for commercial vessels. Accordingly, the only vessels the regulation restricts is the sailing population. Arguably, the Coast Guard should have amended the regulations after the lakeside marina opened in 1989, moving most of the recreational vessels, including sailing vessels, from the docks in the Lorain River to the harbor north of the bridges.

The primary purpose of the current bridge regulation was to prevent vehicle congestion at the bridge. However, with the reduction of vehicles and vessels transiting the river on a regular basis, the calculus has shifted, and the Coast Guard proposes to revise the regulation to remove the burden from the recreational vessels using the waterway.

We are proposing to remove the restricted bridge opening times of on the hour and half hour. We also propose to remove the restrictions of 8 a.m., 3 p.m., 4 p.m., and 5 p.m. because the traffic counts do not support a significant gathering of vehicles at the bridge during those times.