

and R-3601B to assist the USAF in fulfilling new high altitude release bomb training requirements for fighter aircraft and new medium-to-high altitude release bomb training requirements for bombers (69 FR 43539). The current altitude structure is not sufficient to meet these new training requirements. Interested parties were invited to participate in the rulemaking effort by submitting written comments on this proposal to the FAA. The FAA received no comments in response to the proposal. With the exception of editorial changes, this amendment is the same as that proposed in the notice.

Section 73.36 of Title 14 CFR part 73 was republished in FAA Order 7400.8N, dated February 16, 2007.

The Rule

This action amends Title 14 Code of Federal Regulations (14 CFR) part 73 by revising R-3601A and R-3601B at Brookville, KS, and changing the using agency. Specifically, this action revises R-3601A and R-3601B by combining their lateral boundaries, expanding the ceiling, and re-designating the lower portion (surface to but not including FL 180) as R-3601A and the upper portion (FL 180 to FL 230) as R-3601B. The FAA is taking this action to assist the USAF in meeting new training requirements that call for practicing the release of bombs from higher altitudes than are currently available within the existing restricted areas. Additionally, this action will change the using agency of R-3601A and R-3601B from "Commander, Kansas ANG, McConnell AFB, KS" to "Air National Guard, 184th Air Refueling Wing, Detachment 1, Smoky Hill ANG Range, Salina, KS." This action does not change the times of use or the controlling agency for R-3601A and R-3601B.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. Therefore, this regulation: (1) Is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under Department of Transportation (DOT) Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Environmental Review

The FAA has determined that the Final Environmental Assessment (FEA) prepared by the Kansas Air National Guard for the proposed changes to the Smoky, Smokey High, and Bison MOAs and Restricted Areas 3601A and 3601B meet the criteria for adoption. The FAA has also determined that the proposed actions are consistent with existing national environmental policies and objectives as set forth in section 101 of the National Environmental Policy Act (NEPA) and other applicable environmental requirements and will not significantly affect the quality of the human environment or otherwise include any condition requiring consultation pursuant to section 102(2)(c) of NEPA. Therefore, on May 10, 2007, the FAA adopted the FEA and issued a Finding of No Significant Impact/Record of Decision in accordance with FAA Order 1050.1E, Environmental Impacts: Policies and Procedures.

List of Subjects in 14 CFR Part 73

Airspace, Navigation (air).

The Adoption of the Amendment

■ In consideration of the foregoing, the Federal Aviation Administration amends 14 CFR part 73 as follows:

PART 73—SPECIAL USE AIRSPACE

■ 1. The authority citation for part 73 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959-1963 Comp., p. 389.

§ 73.36 [Amended]

■ 2. § 73.36 is amended as follows:

* * * * *

R-3601A Brookville, KS [Revised]

By removing the current boundaries, designated altitudes, and using agency, and substituting the following:

Boundaries. Beginning at lat. 38°45'20" N., long. 97°46'01" W.; to lat. 38°39'45" N., long. 97°46'01" W.; then southwest along the Missouri Pacific Railroad Track; to lat. 38°38'20" N., long. 97°47'31" W.; to lat. 38°38'20" N., long. 97°50'01" W.; to lat. 38°35'00" N., long. 97°50'01" W.; to lat. 38°35'00" N., long. 97°56'01" W.; to lat. 38°45'20" N., long. 97°56'01" W.; to the point of beginning.

Designated altitudes. Surface to but not including FL180.

Using Agency. Air National Guard, 184th Air Refueling Wing, Detachment 1, Smoky Hill ANG Range, Salina, KS.

* * * * *

R-3601B Brookville, KS [Revised]

By removing the current boundaries, designated altitudes, and using agency and substituting the following:

Boundaries. Beginning at lat. 38°45'20" N., long. 97°46'01" W.; to lat. 38°39'45" N., long. 97°46'01" W.; then southwest along the Missouri Pacific Railroad Track; to lat. 38°38'20" N., long. 97°47'31" W.; to lat. 38°38'20" N., long. 97°50'01" W.; to lat. 38°35'00" N., long. 97°50'01" W.; to lat. 38°35'00" N., long. 97°56'01" W.; to lat. 38°45'20" N., long. 97°56'01" W.; to the point of beginning.

Designated altitudes. FL180 to FL230.

Using Agency. Air National Guard, 184th Air Refueling Wing, Detachment 1, Smoky Hill ANG Range, Salina, KS.

* * * * *

Issued in Washington, DC, June 18, 2007.

Kenneth McElroy,

Acting Manager, Airspace and Rules Group.

[FR Doc. E7-12703 Filed 6-29-07; 8:45 am]

BILLING CODE 4910-13-P

COMMODITY FUTURES TRADING COMMISSION

17 CFR Part 3

RIN 3038-AC37

Registration of Intermediaries

AGENCY: Commodity Futures Trading Commission.

ACTION: Final rule.

SUMMARY: The Commodity Futures Trading Commission ("Commission" or "CFTC") has amended Commission Regulation 3.10 to require certain registered intermediaries, *i.e.*, futures commission merchants ("FCMs"), introducing brokers ("IBs"), commodity pool operators ("CPOs"), commodity trading advisors ("CTAs") and leverage transaction merchants ("LTMs"), to complete an online annual review of their registration information maintained with the National Futures Association ("NFA"). This amendment is intended to ensure that NFA will have accurate and current information about such registrants. The Commission also has made a technical and conforming amendment to Commission Regulation 3.33(f) in order to remove an unnecessary reference to Regulation 3.10(d).

EFFECTIVE DATE: August 1, 2007.

FOR FURTHER INFORMATION CONTACT: Helene D. Schroeder, Special Counsel, Compliance and Registration Section, Division of Clearing and Intermediary Oversight, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581, telephone number: (202) 418-5450; facsimile number: (202) 418-5528; and electronic mail: hschroeder@cftc.gov.

SUPPLEMENTARY INFORMATION:

I. Background

Part 3 of the Commission's regulations sets forth the regulations relating to the registration of intermediaries and other futures industry professionals.¹ The Commission adopted Part 3 pursuant to the authority set forth in Sections 4c, 4d, 4f(a)(1), 4m, 4n(1) and 19 of the Commodity Exchange Act ("Act").² These statutory provisions require the registration of firms seeking to act as intermediaries for exchange-traded futures and commodity options. Section 4f(a)(1) contains the framework for the registration of FCMs and IBs.³ Section 4n(1) governs the registration of CPOs and CTAs.⁴ Sections 4c⁵ and 19 of the Act,⁶ respectively, grant the Commission plenary authority, including registration authority, over commodity options and leverage transactions.

Commission Regulation 3.10(a) specifies that an application for registration as an FCM, IB, CPO, CTA or LTM must be on a Form 7-R, completed and filed with NFA in accordance with the instructions thereto.⁷ Commission Regulation 3.31(a)(1) requires such intermediaries to correct promptly deficiencies or inaccuracies contained in the person's Form 7-R or any Form 8-R filed on behalf of a principal or an associated person.⁸

In 2002, NFA altered its registration procedures by shifting from paper-based registration to an online or electronic registration system. Pursuant to these new procedures, NFA requires, with limited exceptions,⁹ that all registration (and membership) forms, including the completed Form 7-R and 3-R, must be filed with NFA electronically through NFA's Online Registration System ("ORS"). Shortly after the new procedures were implemented, the Commission deleted Regulation 3.10(d), pursuant to which intermediary firms would conduct an annual review of a

pre-printed copy of the registrant's 7-R.¹⁰

II. Proposal

In order to ensure that the registration information it maintains is accurate and up-to-date, NFA developed an online registration update protocol for firms to review and update their registration records. In addition to providing an updated list of persons authorized to enter data in ORS, the protocol would require registrants to provide updated disciplinary, branch office and firm contact information.¹¹

To facilitate NFA's efforts in implementing this new protocol, on April 26, 2007, the Commission published in the **Federal Register** a proposal to require firms to conduct an annual review of registration information. ("Proposal").¹² The Proposal, which included a proposed new paragraph (d) of Regulation 3.10 ("Proposed Amendment") was designed to ensure that NFA would be in possession of current and accurate information regarding intermediaries.¹³ Specifically, the Proposed Amendment would require that each FCM, IB, CPO, CTA and LTM, in accordance with procedures established by NFA, complete an online annual review of the registration information maintained by NFA. Pursuant to procedures established by NFA, registrants would be required to correct any deficiencies or inaccuracies contained therein.

The Proposed Amendment also would provide that the failure to complete the review and update within 30 days of the date established by NFA for completion would be deemed to be a request for withdrawal from registration. As further provided therein, NFA would be required to process the request in accordance with the existing procedures for withdrawal of registration set forth in Commission Regulation 3.33(f).

The Commission's Proposal also included a technical and conforming amendment to Commission Regulation 3.33(f) in order to remove unnecessary language that referenced Regulation 3.10(d).

III. Comments Regarding the Proposal

The Commission received only one comment letter on its Proposal, and this comment, which was from NFA, expressed full support for the

amendment. In light of this fact, and the foregoing, the Commission has determined to adopt the amendments to Regulations 3.10 and 3.33(f) as set forth in the Proposal.

IV. Related Matters

A. Regulatory Flexibility Act

The Regulatory Flexibility Act ("RFA")¹⁴ requires that agencies, in proposing regulations, consider the impact of those regulations on small businesses. The amendment to Regulation 3.10 will affect persons that are registered as FCMs, IBs, CPOs, CTAs and LTMs. The Commission has previously established certain definitions of "small entities" to be used by the Commission in evaluating the impact of its regulations on such entities in accordance with the RFA.¹⁵ The Commission previously determined that registered FCMs, CPOs and LTMs are not small entities for the purpose of the RFA.¹⁶

With respect to the remaining persons, CTAs and IBs, the Commission stated in the Proposal that it did not believe that the economic impact of the Proposed Amendment would be significant. First, the information that would be required under the Proposed Amendment already is required to be collected under the existing registration framework, *to wit*, Regulation 3.31(a)(1). Second, the Proposed Amendment and NFA's new protocol would focus each registrant on the specific areas that must be reviewed and, if needed, updated. Third, the Proposed Amendment would permit review and updating via electronic means in keeping with the current registration procedures. Accordingly, in accordance with Section 3(a) of the RFA,¹⁷ the Chairman, on behalf of the Commission, certified that the Proposed Amendment would not have a significant economic impact on a substantial number of small entities.

The Commission invited the public to comment regarding its analysis of the application of the RFA to the Proposal. The Commission did not receive any such comments.

B. Cost-Benefit Analysis

Section 15(a) of the Act¹⁸ requires the Commission to consider the costs and benefits of its action before issuing a new regulation under the Act. By its terms, Section 15(a) does not require the Commission to quantify the costs and

¹ 17 CFR Part 3. The Commission's regulations can be accessed at http://www.access.gpo.gov/nara/cfr/waisidx_06/17cfrv1_06.html.

² 7 U.S.C. 1 *et seq.* (2000). The Act can be accessed at http://www.access.gpo.gov/uscode/title7/chapter1_.html.

³ 7 U.S.C. 6f(a)(1).

⁴ 7 U.S.C. 6n(1).

⁵ 7 U.S.C. 6c.

⁶ 7 U.S.C. 23. Commission Regulation 31.5, 17 CFR 31.5 (2007), was promulgated under this provision and along with Regulation 3.10, 17 CFR 3.10, governs the registration of LTMs.

⁷ 17 CFR 3.10(a).

⁸ 17 CFR 3.31(a)(1).

⁹ For example, NFA requires that any securities broker or dealer that is registered with the Securities and Exchange Commission that becomes a notice-registered FCM or IB must submit a hardcopy version of its Form 7-R.

¹⁰ See 67 FR 38869 (June 6, 2002).

¹¹ Under the protocol, a firm could modify the title given for a particular principal of a firm, but it could not identify a new principal, as this would require separate application.

¹² 72 FR 20788.

¹³ Paragraph (d) of Regulation 3.10 had been reserved.

¹⁴ 5 U.S.C. 601 *et seq.*

¹⁵ 47 FR 18618 (Apr. 30, 1982).

¹⁶ 47 FR 18618, 18619.

¹⁷ 5 U.S.C. 605(b).

¹⁸ 7 U.S.C. 19(a).

benefits of a new regulation or to determine whether the benefits of the proposed regulation outweigh its costs. Rather, Section 15(a) simply requires the Commission to "consider the costs and benefits" of its action.

Section 15(a) further specifies that costs and benefits shall be evaluated in light of five broad areas of market and public concern: (1) Protection of market participants and the public; (2) efficiency, competitiveness, and financial integrity of futures markets; (3) price discovery; (4) sound risk management practices; and (5) other public interest considerations. The Commission, in its discretion, may choose to give greater weight to any one of the five enumerated areas and determine that, notwithstanding its costs, a particular regulation is necessary or appropriate to protect the public interest or to effectuate any of the provisions or to accomplish any of the purposes of the Act. The Commission has evaluated the costs and benefits of its Proposal, in particular, new Regulation 3.10(d) in light of the specific considerations identified in Section 15(a) of the Act.

Regulation 3.10(d) concerns the registration of intermediaries, in particular, FCMs, IBs, CPOs, CTAs and LTMs. Specifically, it will require these intermediaries to complete an online annual review of their registration information, including disciplinary information, firm contacts and lists of authorized users. By ensuring that NFA, the self-regulatory organization that oversees the activities of these registrants, will have accurate and current information regarding registrants, Regulation 3.10(d) will maximize the protection of market participants and the public.

Such intermediaries already are under an ongoing obligation to provide updated information to NFA pursuant to Commission Regulation 3.31(a)(1). Regulation 3.10(d) will require these registrants to comply with an online review protocol established by NFA. This protocol will provide a straightforward process for registrants to electronically update their registration information. It will focus and guide registrants on the particular areas that need updating. By facilitating NFA's efforts to adopt this protocol, Regulation 3.10(d) will result in efficiency enhancements for registrants and NFA.

Regulation 3.10(d) also will have no effect on the following three enumerated areas: (1) Efficiency, competitiveness or the financial integrity of futures markets; (2) price discovery; and (3) sound risk management practices.

After considering these factors, the Commission has determined to adopt the amendment to Regulation 3.10 set forth below.

C. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 ("PRA") imposes certain obligations on federal agencies, including the Commission, in connection with their conducting or sponsoring any collection of information as defined by the PRA.¹⁹ In its Proposal, the Commission noted that the Proposed Amendment would require intermediaries to conduct an annual review of their registration information maintained with NFA and that this information is part of an approved collection of information. The Commission further noted that the Proposed Amendment would not result in any material modifications to this approved collection. Accordingly, for purposes of the PRA, the Commission certified that the Proposed Amendment did not impose any new reporting or recordkeeping requirements.

The Commission did not receive any comments regarding its analysis relative to the PRA.

List of Subjects in 17 CFR Part 3

Administrative practice and procedure, Brokers, Commodity futures, Reporting and recordkeeping requirements.

■ For the reasons discussed in the preamble, the Commission amends 17 CFR part 3 as follows:

PART 3—REGISTRATION

■ 1. The authority citation for part 3 continues to read as follows:

Authority: 5 U.S.C. 522, 522b; 7 U.S.C. 1a, 2, 6, 6a, 6b, 6c, 6d, 6e, 6f, 6g, 6h, 6i, 6k, 6m, 6n, 6o, 6p, 8, 9, 9a, 12, 12a, 13b, 13c, 16a, 18, 19, 21, 23.

■ 2. Section 3.10 is amended by adding paragraph (d) to read as follows:

§ 3.10 Registration of futures commission merchants, introducing brokers, commodity trading advisors, commodity pool operators and leverage transaction merchants.

* * * * *

(d) On a date to be established by the National Futures Association, and in accordance with procedures established by the National Futures Association, each registrant as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator or leverage transaction merchant shall, on an annual basis, review and update registration information maintained with the

National Futures Association. The failure to complete the review and update within thirty days following the date established by the National Futures Association shall be deemed to be a request for withdrawal from registration, which shall be processed in accordance with the provisions of § 3.33(f).

■ 3. Section 3.33 is amended by revising paragraph (f) introductory text to read as follows:

§ 3.33 Withdrawal from registration.

* * * * *

(f) A request for withdrawal from registration will become effective on the thirtieth day after receipt of such request by the National Futures Association, or earlier upon written notice from the National Futures Association (with the written concurrence of the Commission) of the granting of such request, unless prior to the effective date:

* * * * *

Issued in Washington, DC, on June 26, 2007, by the Commission.

Eileen Donovan,

Acting Secretary of the Commission.

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DEPARTMENT OF JUSTICE

Drug Enforcement Administration

21 CFR Parts 1309 and 1310

[Docket No. DEA-257F]

RIN 1117-AA93

Changes in the Regulation of Iodine Crystals and Chemical Mixtures Containing Over 2.2 Percent Iodine

AGENCY: Drug Enforcement Administration (DEA), Justice.

ACTION: Final rule.

SUMMARY: This rulemaking changes the regulation of the listed chemical iodine under the chemical regulatory provisions of the Controlled Substances Act (CSA). The Drug Enforcement Administration (DEA) believes that this action is necessary to remove deficiencies in the existing regulatory controls, which have been exploited by drug traffickers who divert iodine (in the form of iodine crystals and iodine tincture) for the illicit production of methamphetamine in clandestine drug laboratories. This rulemaking moves iodine from List II to List I; reduces the iodine threshold from 0.4 kilograms to zero kilograms; adds import and export regulatory controls; and controls

¹⁹ 44 U.S.C. 3501 *et seq.*