calendar year as attributable to the succeeding calendar year.'' [12] In practice, the Register has not previously established a procedure to exercise this discretion. The Copyright Office now proposes to close out funds or subfunds at any time four years after the close of the calendar year for a given fund, if that fund is subject to a final distribution order. In accordance with section 1005, the Register will treat any funds remaining in such account or subsequent deposits as attributable to the closest succeeding calendar year. The Office proposes to codify this practice in its proposed rule, and seeks comment on this proposal.

*B. Payment of Royalty Fees by Electronic Funds Transfer*

The Licensing Division administers various statutory licensing schemes, including those requiring the submission of statements of account by cable systems, satellite carriers, and manufacturers or importers of digital audio recording devices and media.[13] Pursuant to its statutory authority, the Copyright Office has set out the requirements for payment of royalty fees under each of these statutory licenses by regulation.[14] One such requirement for all of these statutory licenses is that ''[a]ll royalty fees shall be paid by a single electronic funds transfer.'' [15] This language became effective in 2006, as part of the final rule requiring remitters to pay royalty payments by electronic funds transfer (''EFT'').[16]

In practice, however, the Office has found that the requirement that remitters make royalty payments for multiple statements of account in a single, lump sum payment is unnecessarily restrictive and has hampered ongoing modernization efforts. Accordingly, the Office proposes to remove the requirement that filers submit multiple SOAs in a single EFT payment for the relevant statutory licenses, specifically, by amending 37 CFR 201.11(f)(1), 201.17(k)(1), and 201.28(h)(1) to remove the requirement that royalty fees must be paid in ''a single'' payment. The current regulatory requirement that funds be submitted through EFT will remain in place.

Because the Office seeks to implement this reform expeditiously for reasons of administrative efficiency, it is separating this minor proposed change from a larger ongoing rulemaking, noticed in December 2017, that proposes to address a wider and more complex set of issues related to statement of account reporting practices, particularly the section 111 license for cable systems.[17] The Office has extended the public comment period for that December 2017 NPRM to October 4, 2018.[18] Meanwhile, while the change removing the requirement that royalty fees must be paid in ''a single'' payment is intended to be technical, the Office solicits public comment on this discrete issue as part of this current rulemaking.

**List of Subjects in 37 CFR Part 201**

Copyright, General provisions.

**Proposed Regulations**

For the reasons set forth in the preamble, the Copyright Office proposes amending 37 CFR part 201 as follows:

## PART 201—GENERAL PROVISIONS

■ 1. The authority citation for part 201 continues to read as follows:

**Authority:** 17 U.S.C. 702.

**§ 201.11 [Amended]**

■ 2. Amend § 201.11 by removing ''a single'' from paragraph (f)(1).

**§ 201.17 [Amended]**

■ 3. Amend § 201.17 by removing ''a single'' from paragraph (k)(1) introductory text.

**§ 201.28 [Amended]**

■ 4. Amend § 201.28 by removing ''a single'' from paragraph (h)(1) introductory text.

■ 5. Add § 201.31 to read as follows:

**§ 201.31 Procedures for closing out royalty payments accounts in accordance with the Audio Home Recording Act.**

(a) *General.* This section prescribes rules pertaining to the close out of royalty payments accounts in accordance with 17 U.S.C. 1005.

(b) In the Register's discretion, four years after the close of any calendar year, the Register of Copyrights may close out the royalty payments account for that calendar year, including any sub-accounts, that are subject to a final distribution order under which royalty payments have been disbursed. Following closure of an account, the Register will treat any funds remaining in that account, or subsequent deposits that would otherwise be attributable to that calendar year, as attributable to the succeeding calendar year.

Dated: July 2, 2018.

**Regan A. Smith,**

*General Counsel and Associate Register of Copyrights.*

[FR Doc. 2018–14543 Filed 7–10–18; 8:45 am]

**BILLING CODE 1410–30–P**

[12] 17 U.S.C. 1005.

[13] *See* 17 U.S.C. 111(d)(1), 119(b)(1), 122(a)(5), 1003(c).

[14] 37 CFR 201.11(f)(1), 201.17(k)(1), 201.28(h)(1).

[15] *Id.*

[16] Electronic Payment of Royalties, 71 FR 45739 (Aug. 10, 2006).

[17] Statutory Cable, Satellite, and DART License Reporting Practices, 82 FR 56926, 56935–36 (Dec. 1, 2017).

[18] Statutory Cable, Satellite, and DART License Reporting Practices, 83 FR 26229 (Jun. 6, 2018).

## POSTAL REGULATORY COMMISSION

## 39 CFR Part 3050

**[Docket No. RM2018–10; Order No. 4696]**

## Periodic Reporting

**AGENCY:** Postal Regulatory Commission.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Commission is acknowledging a recent filing requesting the Commission initiate an informal rulemaking proceeding to consider changes to an analytical method for use in periodic reporting (Proposal Seven). This document informs the public of the filing, invites public comment, and takes other administrative steps.

**DATES:** *Comments are due:* September 5, 2018.

**ADDRESSES:** Submit comments electronically via the Commission's Filing Online system at *http://www.prc.gov.* Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

**FOR FURTHER INFORMATION CONTACT:** David A. Trissell, General Counsel, at 202–789–6820.

**SUPPLEMENTARY INFORMATION:**

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### I. Introduction

On June 29, 2018, the Postal Service filed a petition pursuant to 39 CFR 3050.11 requesting that the Commission initiate a rulemaking proceeding to consider changes to analytical principles relating to periodic reports.[1] The Petition identifies the proposed analytical changes filed in this docket as Proposal Seven.

### II. Proposal Seven

*Background.* The Proposal Seven objective is to ''reorganize Cost Segment 3 and certain mail processing cost pools

[1] Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Seven), June 29, 2018 (Petition).

to reflect operational changes and to better classify clerk and mail handler work activities.'' Petition at 1.

Since its inception, the current Cost Segment 3 methodology has divided clerk and mail handler costs into costs incurred at ''MODS'' offices, NDCs and ''non-MODS'' facilities. Petition, Proposal Seven at 1. Within each office group, the Cost Segment 3 model divides mail processing activities into activity-based cost pools. *Id.* The cost pools allow for distinct causal assignments of volume-variable costs to products for activities with distinct product mixes and/or distinct roles in the mail processing system. *Id.* The Postal Service states ''[i]mprovements to the non-MODS cost methodology introduced activity-based mail processing cost pools which currently offer finer activity detail than the corresponding MODS cost pools.'' *Id.* at 2. The Postal Service notes:

> The primary operational distinction is between ''Function 1'' mail processing (*i.e.* mail processing at plants) and ''Function 4'' activities (processing, window service, and other activities at customer service facilities including post offices, stations, and branches) and that [a] significant aim of this proposal is to align the Cost Segment 3 office groups with this operational distinction, and to provide a common set of cost pools for reporting Function 4 costs based on the non-MODS cost pools.

*Id.*

The Postal Service states ''[m]ail processing cost pools also require periodic revision to maintain consistency with Postal Service operations. This proposal includes several mail processing cost pool changes intended to improve the treatment of certain new equipment, as well as to prepare for the eventual withdrawal of other equipment from service.'' *Id.* at 2–3.

*Proposal.* The Postal Service proposes the following actions to reorganize MODS and non-MODS office groups for the Cost Segment 3 model, and to revise certain mail processing cost pools for MODS plant and NDCs (formerly BMCs):

1. Redefine the ''MODS'' office group to include only MODS-reporting plants, with other offices assigned to the non-MODS group. (footnote omitted)
2. Consolidate LDC 15 LCREM operations (currently in cost pool LD15PLNT) into the D/BCS cost pool.
3. Consolidate the FSM/1000 cost pool into the AFSM100 cost pool.
4. Consolidate the 1FLATPRP cost pool (MODS operation 035) into the AFSM100 cost pool.
5. Collect operations for the Low-Cost Universal Sorter (LCUS) and Sack Sorting Machine in new LCUS–SSM cost pools for MODS offices and NDCs, supplanting the current MODS 1SACKS_M cost pool as well as the NDC SSM cost pool.
6. Eliminate the current plant MECPARC and NDC NMO cost pools.
7. Reorganize the APBSPRIO and APBS OTH cost pools such that the former includes all applicable parcel (TPH) operations, limiting the latter to bundle (NATPH) operations.
8. Move NDC LDC 14 manual Priority Mail distribution operations from the OTHR cost pool to the MANP cost pool. (footnote omitted)
9. Employ non-MODS methodology to assign all Function 4 costs to cost pools, including costs pools currently in the MODS office group. (footnote omitted)
10. Realign facility space categories and distribution keys in conjunction with labor cost changes.

*Id.* at 3–4.

*Rationale and impact:* The Postal Service lists separately the rationale for each revision in Proposal Seven as follows:

1. *Redefine the ''MODS'' office group to include only MODS-reporting plants, with other offices assigned to non-MODS group.* Redefinition will ''make it easier to analyze mail processing costs at post offices, stations, and branches under a common set of cost pools. The offices that are proposed to shift to the non-MODS group, [are] nearly all of the mail processing costs which are in ''Function 4'' (LDC41–49) cost pools.'' *Id.* at 5. This will provide a more consistent treatment of Function 4 costs. ''Currently, costs for otherwise similar activities—particularly manual mail processing at customer service facilities—may be treated differently depending on whether they occur at a MODS or non-MODS finance number.'' *Id.* at 6.

2. *Consolidate LDC15LCREM operations in cost pool LD15PLNT into the D/BCS cost pool.* The Low-Cost Reject Encoding Machine (LCREM) cost pool is assigned to a small cost pool and will be included with other LCREM operations already included in LDC 11, currently part of the much larger D/BCS cost pool. *Id.* at 6.

3. *Consolidate FSM/1000 into AFSM 100 cost pool.* This is to provide for the phase-out of remaining operations for UFSM 1000 equipment. Continuing decline is expected and the activity in FSM/1000 cost pools no longer has a material effect on mail processing costs. *Id.* at 6–7.

4. *Consolidate the 1FLATPRP cost pool (MODS operation 035) into the AFSM100 cost pool.* This is to harmonize treatment of 1FLATPRP (MODS operation 035) with other flat preparation operations in the Cost Segment 3.1 model. The declining scale of remaining FSM/10000 operations no longer justifies separate treatment of 1FLATPRP. *Id.* at 7.

5. *Collect operations for the low-Cost Universal Sorter (LCUS) and Sack sorting Machine in new LCUS–SSM cost pools for MODS offices and NDCs, supplanting the current MODS 1SACKS_M cost pool as well as the NDC SSM cost pool.* Consolidation should limit the potential impact of clocking errors within LCUS operations and also facilitate computation of operation-specific piggyback costs. *Id.* at 8.

6. *Eliminate the current plant MECPARC and NDC NMO cost pools.* ''[T]here are no other valid plant operations remaining in the MECPARC cost pool after the universal sorter operations have been gathered into the new LCUS–SSM cost pool.'' New automated parcel equipment would be assigned to the APBSPRIO cost pool. Therefore, ''there will be no valid workhours for the NDC NMO cost pool going forward.'' *Id.* at 9.

7. *Reorganize the APBSPRIO and APBS OTH cost pools.* Moving minor parcel operations with a small number of workhours from APBS OTH to APBSPRIO will be consistent with the treatment of other parcel operations and reinforce the conceptual definition of APBS as the automated bundle sorting cost pool. *Id.*

8. *Move NDC LDC 14 manual Priority Mail distribution operations from the OTHR cost pool to the MANP cost pool.* ''[T]reating these operations as part of the MANP distribution cost pool will reduce the possibility that mixed-mail costs will be distributed to non-parcels and/or parcel products that receive automated processing.'' *Id.* at 10.

9. *Employ non-MODS methodology to assign all Function 4 costs to cost pools, including cost pools currently in the MODS office group.* This will simplify report of Function 4 costs that are currently spread across cost pools in the two office groups defined similarly and reduce cases where costs from similar activities may be treated differently based on their office group. *Id.* at 10. ''[T]he larger effective sample sizes from combining MODS Function 4 tallies with non-MODS should result in little or no adverse effect on the coefficients of variation (CVs) for the sample-based cost estimates.'' *Id.* at 11.

10. *Realign facility space categories and distribution keys in conjunction with labor cost changes.* ''[U]nder the proposed methodology, labor cost pool consolidations would require corresponding consolidations of associated facility space distribution keys and associated space costs (and square footage).'' *Id.*

The Postal Service's estimate of the effect on product costs is presented in Table 1 in the Excel file attached to the Petition. The Postal Service states ''[t]he Cost Segment 3 impact includes the effects of the proposal on the Mail Processing, Window Service, and Administrative components[,]'' as well as ''revisions to distribution keys for piggybacked costs[,]'' which ''may variously reinforce or offset the direct impact on Cost Segment 3 labor costs.'' The impact is small in most cases. *Id.* at 12.

## III. Notice and Comment

The Commission establishes Docket No. RM2018–10 for consideration of matters raised by the Petition. More information on the Petition may be accessed via the Commission's website at *http://www.prc.gov.* Interested persons may submit comments on the Petition and Proposal Seven no later than September 5, 2018. Pursuant to 39

U.S.C. 505, Lawrence Fenster is designated as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

## IV. Ordering Paragraphs

*It is ordered:*

1. The Commission establishes Docket No. RM2018–10 for consideration of the matters raised by the Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Seven), filed June 29, 2018.

2. Comments by interested persons in this proceeding are due no later than September 5, 2018.

3. Pursuant to 39 U.S.C. 505, the Commission appoints Lawrence Fenster to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this docket.

4. The Secretary shall arrange for publication of this Order in the **Federal Register**.

By the Commission.

**Ruth Ann Abrams,**

*Acting Secretary.*

[FR Doc. 2018–14768 Filed 7–10–18; 8:45 am]

**BILLING CODE 7710–FW–P**

## COUNCIL ON ENVIRONMENTAL QUALITY

### 40 CFR Parts 1500, 1501, 1502, 1503, 1504, 1505, 1506, 1507, and 1508

**[Docket No. CEQ–2018–0001]**

**RIN 0331–AA03**

### Update to the Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act

**AGENCY:** Council on Environmental Quality (CEQ).

**ACTION:** Advance notice of proposed rulemaking; extension of comment period.

**SUMMARY:** On June 20, 2018, the Council on Environmental Quality (CEQ) published an advance notice of proposed rulemaking (ANPRM) titled ''Update to the Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act.'' The CEQ is extending the comment period on the ANPRM, which was scheduled to close on July 20, 2018, for 31 days until August 20, 2018. The CEQ is making this change in response to public requests for an extension of the comment period.

**DATES:** Comments should be submitted on or before August 20, 2018.

**ADDRESSES:** Submit your comments, identified by docket identification number CEQ–2018–0001 through the Federal eRulemaking portal at *https://www.regulations.gov.* Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from *https://www.regulations.gov.* CEQ may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (*e.g.,* audio, video) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make.

Comments may also be submitted by mail. Send your comments to: Council on Environmental Quality, 730 Jackson Place NW, Washington, DC 20503, Attn: Docket No. CEQ–2018–0001.

**FOR FURTHER INFORMATION CONTACT:** Edward A. Boling, Associate Director for the National Environmental Policy Act, Council on Environmental Quality, 730 Jackson Place NW, Washington, DC 20503. Telephone: (202) 395–5750.

**SUPPLEMENTARY INFORMATION:** On June 20, 2018, CEQ published an ANPRM titled ''Update to the Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act'' in the **Federal Register** (83 FR 28591). The original deadline to submit comments was July 20, 2018. This action extends the comment period for 31 days to ensure the public has sufficient time to review and comment on the ANPRM. Written comments should be submitted on or before August 20, 2018.

**Mary B. Neumayr,**

*Chief of Staff, Council on Environmental Quality.*

[FR Doc. 2018–14821 Filed 7–10–18; 8:45 am]

**BILLING CODE 3225–F8–P**