

there is no limit to the volume that may be shipped, market forces of supply and demand and the extent to which any maritime shipments are in addition to—rather than in place of—shipments by truck will determine the size of any market effects of the rule. These actions will allow additional options for shipping Hass avocados from Mexico to the United States and allow Mexican exporters to ship full container or truck loads from multiple packinghouses while continuing to provide an appropriate level of protection against the introduction of plant pests.

U.S. producers of avocado are predominantly small entities. Other small entities that theoretically could be affected by the rule include fresh avocado importers, brokers, truck drivers, and maritime shippers. The price and supply impacts that this rule may have on U.S. entities are not known.

**Executive Order 12988**

This final rule allows Hass avocados to be imported into the United States from Mexico in bulk consignments and in consignments from multiple packinghouses when phytosanitary safeguarding is maintained from the packinghouse to the first port of entry in the United States. State and local laws and regulations regarding Hass avocados imported under this rule will be preempted while the fruit is in foreign commerce. Fresh avocados are generally imported for immediate distribution and sale to the consuming public, and remain in foreign commerce until sold to the ultimate consumer. The question of when foreign commerce ceases in other cases must be addressed on a case-by-case basis. No retroactive effect will be given to this rule, and this rule will not require administrative proceedings before parties may file suit in court challenging this rule.

**Paperwork Reduction Act**

This final rule contains no new information collection or recordkeeping requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

**List of Subjects in 7 CFR Part 319**

Coffee, Cotton, Fruits, Imports, Logs, Nursery stock, Plant diseases and pests, Quarantine, Reporting and recordkeeping requirements, Rice, Vegetables.

■ Accordingly, we are amending 7 CFR part 319 as follows:

**PART 319—FOREIGN QUARANTINE NOTICES**

■ 1. The authority citation for part 319 continues to read as follows:

**Authority:** 7 U.S.C. 450, 7701–7772, and 7781–7786; 21 U.S.C. 136 and 136a; 7 CFR 2.22, 2.80, and 371.3.

■ 2. Section 319.56–30 is amended as follows:

- a. In paragraph (c)(3)(v), by removing the words “shipping boxes” and adding the words “containers in which they will be shipped” in their place.
- b. In paragraph (c)(3)(vi), by removing the words “in boxes” and adding the words “for shipping” in their place.
- c. By revising paragraphs (c)(3)(vii) and (c)(3)(viii) to read as set forth below.
- d. By removing paragraphs (f) and (g) and redesignating paragraphs (h) and (i) as paragraphs (f) and (g), respectively.
- e. In newly redesignated paragraph (g), by adding the words “, crates, or bulk shipping bins” after the words “original shipping boxes” and by removing the words “new boxes” and adding the words “new packaging” in their place.

**§ 319.56–30 Hass avocados from Michoacan, Mexico.**

\* \* \* \* \*

- (c) \* \* \*
- (3) \* \* \*

(vii) The avocados must be packed in clean, new boxes or bulk shipping bins, or in clean plastic reusable crates. The boxes, bins, or crates must be clearly marked with the identity of the grower, packinghouse, and exporter, and with the statement “Not for importation or distribution in Puerto Rico or U.S. Territories.” The boxes, bins, or crates must be covered with a lid, insect-proof mesh, or other material to protect the avocados from fruit-fly infestation prior to leaving the packinghouse. Those safeguards must be intact at the time the consignment arrives in the United States.

(viii) The packed avocados must be placed in a refrigerated truck or refrigerated container and remain in that truck or container while in transit through Mexico to the port of export for consignments shipped by air or sea or the port of first arrival in the United States for consignments shipped by land. Prior to leaving the packinghouse, the truck or container must be secured by the Mexican NPPO with a seal that will be broken when the truck or container is opened. The seal may be broken and a new seal applied by the Mexican NPPO if the truck or container stops at another approved packinghouse for additional avocados meeting the requirements of this section to be placed

in the truck or container. The seal on the refrigerated truck or refrigerated container must be intact at the time the truck or container reaches the port of export in Mexico or the port of first arrival in the United States.

\* \* \* \* \*

Done in Washington, DC, this 25th day of October 2010.

**Kevin Shea,**

*Acting Administrator, Animal and Plant Health Inspection Service.*

[FR Doc. 2010–27426 Filed 10–28–10; 8:45 am]

**BILLING CODE 3410–34–P**

**FEDERAL RESERVE SYSTEM**

**12 CFR Part 205**

[Regulation E; Docket No. R–1377]

**Electronic Fund Transfers**

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Final rule.

**SUMMARY:** The Board is amending Regulation E, which implements the Electronic Fund Transfer Act, and the official staff commentary to the regulation, in order to implement legislation that modifies the effective date of certain disclosure requirements in the gift card provisions of the Credit Card Accountability Responsibility and Disclosure Act of 2009.

**DATES:** This final rule is effective November 29, 2010.

**FOR FURTHER INFORMATION CONTACT:** Dana Miller or Mandie Aubrey, Senior Attorneys, Ky Tran-Trong or Vivian Wong, Counsels, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, Washington, DC 20551, at (202) 452–2412 or (202) 452–3667. For users of Telecommunications Device for the Deaf (TDD) only, contact (202) 263–4869.

**SUPPLEMENTARY INFORMATION:**

**I. Statutory Background**

On May 22, 2009, the Credit Card Accountability Responsibility and Disclosure Act of 2009 (Credit Card Act) was signed into law.<sup>1</sup> Section 401 of the Credit Card Act amended the Electronic Fund Transfer Act, 15 U.S.C. 1693 *et seq.*, and imposed certain restrictions on a person’s ability to impose dormancy, inactivity, or service fees with respect to gift certificates, store gift cards, and general-use prepaid cards. In addition, the Credit Card Act generally prohibited

<sup>1</sup> Public Law 111–24, 123 Stat. 1734 (2009).

the issuance or sale of such products if they expire earlier than five years from the date of issuance of a gift certificate or the date on which funds were last loaded to a store gift card or general-use prepaid card.

Section 403 of the Credit Card Act required that the gift card and related provisions of the Credit Card Act become effective 15 months after enactment, or on August 22, 2010. *See* EFTA Section 915(d)(3). The Board published a final rule implementing the gift card provisions of the Credit Card Act on April 1, 2010 (final gift card rule). 75 FR 16580. As mandated by the Credit Card Act, the final gift card rule has an effective date of August 22, 2010.

On July 27, 2010, Congress passed legislation amending Section 403 of the Credit Card Act to delay the effective date of certain gift card disclosure provisions of the Credit Card Act for certificates or cards produced prior to April 1, 2010 (Gift Card Amendment).<sup>2</sup> The Gift Card Amendment provides a delayed effective date with respect to these provisions in order to permit the sale of card stock produced before that date until January 31, 2011, so long as certain conditions are met, including the provision of in-store disclosures. Moreover, the substantive fee and expiration date protections provided by the Credit Card Act continue to apply to all certificates or cards sold to a consumer on or after August 22, 2010. Due to the time constraints imposed by the August 22, 2010 effective date of the Credit Card Act, the Board issued an interim final rule revising the April 2010 final gift card rule in order to implement the Gift Card Amendment, 75 FR 50683 (Aug. 17, 2010), but stated its intent to consider comments on the interim final rule. The Board is adopting the final rule today.

## II. Overview of Public Comment; Summary of Final Rule

The Board received two comments on the interim final rule from a credit union trade association and a bankers' trade association. Both commenters generally supported the interim final rule. The bankers' trade association suggested that the Board exercise its exception authority to eliminate in-store disclosures where cards sold meet the final gift card rule's substantive fee and expiration date protections. This commenter also requested an extension of the delayed effective date. No other comments were received. The final rule adopts the interim final rule as issued, with minor non-substantive edits.

With respect to gift certificates, store gift cards, and general-use prepaid cards produced prior to April 1, 2010, the Gift Card Amendment delayed the effective date of the disclosure requirements in EFTA Sections 915(b)(3) and (c)(2)(B) (as amended by the Credit Card Act) until January 31, 2011, provided that several specified conditions are met. The final rule implements the Gift Card Amendment.

The Gift Card Amendment did not address the status of additional requirements adopted in the Board's final gift card rule that were not contained in the Credit Card Act. As a result, persons seeking to take advantage of the relief afforded by the Gift Card Amendment would have been unable to do so if certain of these additional provisions became effective on August 22, 2010. For example, § 205.20(e)(1) of the final gift card rule prohibits any person from selling or issuing a certificate or card unless the consumer has had a reasonable opportunity to purchase a certificate or card with at least five years remaining until the certificate or card expiration date. Thus, a card produced prior to April 1, 2010 that has a card expiration date of less than five years could not be sold under the final gift card rule, notwithstanding the provisions of the Gift Card Amendment. Therefore, in order to carry out the intended purpose of the Gift Card Amendment, the final rule also delays the effective date of certain of these supplemental requirements.

As in the interim final rule, the final rule revises §§ 205.20(c) and (g) of the final gift card rule ("Form of Disclosures" and "Compliance Dates," respectively) and adds a new § 205.20(h) ("Temporary Exemption").

## III. Section-by-Section Analysis

### 20(c) Form of Disclosures

#### 20(c)(2) Format

To take advantage of the delayed effective date, the Gift Card Amendment requires that certain disclosures be made to the consumer through in-store signage, messages during customer service calls, Web sites, and general advertising. These disclosure requirements are implemented through § 205.20(h)(2) of the final rule, discussed in more detail below.

Section 205.20(c)(2) of the final gift card rule generally requires disclosures to be made in writing or electronically, and in retainable form. The Board believes such requirements are unnecessary with respect to the disclosures required by § 205.20(h)(2). For example, it would be impracticable to provide in-store signage under

§ 205.20(h)(2) in a retainable form. Moreover, the disclosures required by § 205.20(h)(2) are intended to relieve the burden of replacing non-compliant card stock with card stock bearing disclosures that comply with the final gift card rule, so the Board believes that the format standards in § 205.20(c)(2) are less appropriate in this instance. Commenters supported the Board's stance in this regard.

Section 205.20(c)(2) has been revised to provide that the disclosures required by § 205.20(h)(2) need not be made in a retainable form. For similar reasons, § 205.20(c)(2) is revised to provide that the prior-to-purchase disclosures required by § 205.20(c)(3) need not be provided in a retainable form. Section 205.20(c)(2) has also been revised to make clear that the disclosures required by § 205.20(h)(2) may be provided orally.

### 20(g) Compliance Dates

#### 20(g)(1) Effective Date for Gift Certificates, Store Gift Cards, and General-Use Prepaid Cards

The final gift card rule became effective August 22, 2010, consistent with the Credit Card Act. Consistent with the interim final rule, to give effect to the delayed effective date set forth in the Gift Card Amendment, the final rule revises § 205.20(g)(1) of the final gift card rule to state that, except as provided in new § 205.20(h), § 205.20 applies to any gift certificate, store gift card, or general-use prepaid card sold to a consumer on or after August 22, 2010, or provided to a consumer as a replacement for such certificate or card.

#### 20(g)(2) Effective Date for Loyalty, Award, or Promotional Gift Cards

Section 205.20(g)(2) of the final gift card rule sets forth a special transition rule for the disclosure requirements applicable to loyalty, award, and promotional gift cards. Specifically, § 205.20(g)(2) provides that the disclosure requirements in § 205.20(a)(4)(iii) apply to any card, code or other device provided to a consumer in connection with a loyalty, award, or promotional program where the period of eligibility for the program begins on or after August 22, 2010. The Gift Card Amendment does not specifically delay the effective date of the disclosures required by § 205.20(a)(4)(iii), and accordingly the effective date for loyalty, award, and promotional cards was unchanged both in the interim final rule and in this final rule.

<sup>2</sup> Public Law 111-209, 124 Stat. 2254 (July 27, 2010).

*20(h) Temporary Exemption*

## 20(h)(1) Delayed Effective Date

As discussed above, the Gift Card Amendment delays the effective date of certain disclosure requirements in EFTA Sections 915(b)(3) and (c)(2)(B). Section 205.20(h)(1) implements the delayed effective date. Specifically, § 205.20(h)(1) provides that, for any gift certificate, store gift card, or general-use prepaid card produced prior to April 1, 2010, the effective date of the requirements of paragraphs (c)(3), (d)(2), (e)(1), (e)(3), and (f) of this section is January 31, 2011, provided that an issuer of such certificate or card meets several specified conditions.

One commenter urged the Board to extend the delayed effective date an additional 24 months. By its terms, the Gift Card Amendment permits issuers to sell existing card stock until January 31, 2011, the end of the 2010 holiday season. The Board believes that further extension of the effective date would be inconsistent with the legislation.

## Provisions of the Final Gift Card Rule Subject to the Delayed Effective Date

Section 205.20(h)(1) delays the effective dates of §§ 205.20(d)(2) and (e)(3)(i) of the final gift card rule. Section 205.20(d)(2), which implemented EFTA Section 915(b)(3)(A), prohibits the imposition of any dormancy, inactivity, or service fee unless, among other things, certain specified clear and conspicuous disclosures about the fees are made on the certificate or card. Section 205.20(e)(3)(i), which implemented EFTA Section 915(c)(2)(B), requires disclosure of the expiration date for the certificate or card's underlying funds—or the fact that the underlying funds do not expire—on the certificate or card. These disclosure requirements are subject to the delayed effective date under the Gift Card Amendment for certificates or cards produced prior to April 1, 2010.

In addition, § 205.20(h)(1) delays the effective dates of §§ 205.20(e)(1), (e)(3)(ii), (e)(3)(iii), and (f). Section 205.20(e)(1) prohibits the issuance or sale of certificates or cards, unless policies and procedures have been established to ensure that a consumer will have a reasonable opportunity to purchase a certificate or card with at least five years remaining until the certificate or card expiration date. Section 205.20(e)(3)(ii) requires the disclosure on the certificate or card of a toll-free telephone number, and, if one is maintained, a Web site that a consumer may use to obtain a replacement certificate or card after

expiration if the underlying funds may be available. Section 205.20(e)(3)(iii) requires certain disclosures on the certificate or card about expiration and replacement cards, except where a non-reloadable certificate or card bears an expiration date that is at least seven years from the date of manufacture. Section 205.20(f) requires additional fee disclosures on or with the certificate or card, and, similar to § 205.20(e)(3)(ii), disclosure on the certificate or card of a toll-free telephone number, and, if one is maintained, a Web site that a consumer may use to obtain fee information. As discussed in more detail in the final gift card rule, these provisions were adopted pursuant to the Board's authority under EFTA Sections 904(a) and 915(d)(2), as amended by the Credit Card Act.

Although not mandated by the Gift Card Amendment, the Board believes that the effective date of §§ 205.20(e)(1), (e)(3)(iii), and (f) should also be delayed in order to carry out the intended purpose of the Gift Card Amendment. For example, some gift cards produced before April 1, 2010 may bear expiration dates of less than five years, which would not comply with § 205.20(e)(1). If the Board did not provide for a delayed effective date with respect to § 205.20(e)(1), issuers would not be permitted to sell this existing card stock, even if issuers otherwise satisfied the statutory prerequisites to qualify for relief under the Gift Card Amendment. Such a result would undermine the purpose of the Gift Card Amendment.

Finally, § 205.20(h)(1) delays the effective date of § 205.20(c)(3). Section 205.20(c)(3) requires that the disclosures required by §§ 205.20(d)(2), (e)(3), and (f)(1) be made prior to purchase. As discussed in more detail in the final gift card rule, § 205.20(c)(3) was adopted pursuant to both the statutory mandate (in EFTA Section 915(c)(3)(B)) and the Board's authority under EFTA Section 904(a). For the reasons discussed above, any disclosures that are required to be provided prior to purchase under § 205.20(c)(3) are subject to the delayed effective date, provided that the issuer complies with the conditions specified in § 205.20(h)(1).

## Conditions Imposed

To take advantage of the Gift Card Amendment's delayed effective date, an issuer of the certificate or card must meet several specified conditions. First, the issuer must comply with the other provisions of § 205.20, including the section's substantive restrictions on the imposition of fees. Second, the issuer must not impose an expiration date with respect to the funds underlying such a

certificate or card. Third, the issuer must, at the consumer's request and at no cost to the consumer, replace such certificate or card if the certificate or card has funds remaining. Finally, the issuer must satisfy the disclosure requirements of new § 205.20(h)(2), discussed in more detail below. See §§ 205.20(h)(1)(i)–(iv).

Comment 20(h)(1)–1 is adopted with minor, non-substantive edits for clarity. Comment 20(h)(1)–1 explains that certificates or cards produced prior to April 1, 2010 may be sold to a consumer for a limited time without satisfying the requirements of § 205.20(c)(3), (d)(2), (e)(1), (e)(3), and (f), provided that issuers of such certificates or cards comply with the additional substantive and disclosure requirements of §§ 205.20(h)(1)(i)–(iv). Issuers of certificates or cards produced prior to April 1, 2010 need not satisfy these additional requirements if the certificates or cards fully comply with the final gift card rule. Thus, if on August 22, 2010 an issuer sells gift cards produced prior to April 1, 2010 that do not have fees and do not expire, and which otherwise comply with the final gift card rule, that issuer would not then be required to make the in-store signage and other disclosures required by § 205.20(h)(2) with respect to those gift cards because those cards satisfy the requirements of the final gift card rule.

Comment 20(h)(1)–2 clarifies when the temporary relief afforded by the Gift Card Amendment expires. This comment explains that certificates or cards produced prior to April 1, 2010 that do not fully comply with the final gift card rule may not be issued or sold to consumers on or after January 31, 2011.

## 20(h)(2) Additional Disclosures

The Gift Card Amendment imposes certain additional disclosure requirements in order for an issuer to take advantage of the delayed effective date. Section 205.20(h)(2) of the final rule implements these disclosure requirements, largely tracking the language of the statute, and with minor non-substantive edits from the interim final rule for clarity. Specifically, § 205.20(h)(2) provides that issuers relying on the delayed effective date in § 205.20(h)(1) must disclose through in-store signage, messages during customer service calls, Web sites, and general advertising, that: (i) The underlying funds of such certificate or card do not expire; (ii) consumers holding such certificate or card have a right to a free replacement certificate or card, which must be accompanied by the packaging and materials typically associated with

such certificate or card; and (iii) any dormancy, inactivity, or service fee for such certificate or card that might otherwise be charged will not be charged if such fees do not comply with Section 915 of the Electronic Fund Transfer Act.

One commenter requested that the Board exercise its exception authority to eliminate these additional disclosures where the certificate or card meets the final gift card rule's fee limitations and other substantive restrictions. If the Board were to take such an action, consumers could be sold cards that, on their face, contain disclosures that do not reflect the certificate or card's actual terms. In particular, consumers may elect to discard an expired gift card notwithstanding the fact that the underlying funds remain valid after the card expiration, and thus be denied the Credit Card Act's protections. Thus, the Board believes that the disclosures required by the Gift Card Amendment are necessary to alert the consumer about the protections afforded them by the Credit Card Act.

In some cases, issuers may not have direct control over in-store signage and store advertisements. Accordingly, comment 20(h)(2)–1 explains that issuers may make the disclosures required by § 205.20(h)(2) through a third party, such as a retailer or merchant. For example, an issuer may have a merchant install in-store signage with the disclosures required by § 205.20(h)(2) on the issuer's behalf. Comment 20(h)(2)–2 also clarifies that § 205.20(h)(2) does not impose an obligation on an issuer to advertise certificates or cards.

#### 20(h)(3) Expiration of Disclosure Requirements

The Gift Card Amendment requires the additional disclosures to be maintained until January 31, 2013. The Board believes that such a requirement is appropriate with respect to Web sites that a certificate or card recipient may visit and phone numbers that a recipient may call for more information. For example, a gift card recipient may call a customer service phone number printed on the card to obtain more information about the card's fees or terms of expiration. See § 205.20(h)(3)(ii).

However, certificates or cards sold on or after January 31, 2011 must comply with §§ 205.20(a)–(f) of the final gift card rule. Because consumers would only be able to purchase cards that are fully compliant with the Credit Card Act from that date forward, consumers purchasing certificates or cards might mistakenly believe that the additional

disclosures set forth in the Gift Card Amendment stated in advertisements or in-store signage are applicable to their certificates or cards. Thus, the Board believes that requiring issuers to maintain Gift Card Amendment-related advertisements or in-store signage on or after January 31, 2011 could be confusing and even misleading to consumers because certificates or cards that do not comply with the final gift card rule cannot be issued or sold after that date.

For this reason, the Board is exercising its exception authority in EFTA Section 904(c) to provide that, with respect to in-store signage and general advertising, the disclosure requirements of § 205.20(h)(2) are not required to be provided on or after January 31, 2011. See § 205.20(h)(3)(i). Section 904(c) of the EFTA provides that regulations prescribed by the Board may contain any classifications, differentiations, or other provisions, and may provide for such adjustments or exceptions for any class of electronic fund transfers that in the judgment of the Board are necessary or proper to effectuate the purposes of the title, to prevent circumvention or evasion, or to facilitate compliance.

#### IV. Legal Authority

##### *General Rulemaking Authority*

Section 401(d)(1) of the Credit Card Act directs the Board to prescribe rules to carry out the gift card provisions of the Credit Card Act. The Board is exercising its authority under Section 401(d)(1) to implement the provisions of the Credit Card Act as superseded by the Gift Card Amendment with respect to the delayed effective date of the requirements in §§ 205.20(d)(2) and (e)(1)(i), and part of § 205.20(c)(3).

Section 401(d)(2) of the Credit Card Act requires the Board to determine the extent to which the individual definitions and provisions of the EFTA and Regulation E should apply to gift certificates, store gift cards, and general-use prepaid cards. See EFTA Section 915(d)(2); 15 U.S.C. 1693m(d)(2). Further, Section 904(a) of the EFTA authorizes the Board to prescribe regulations necessary to carry out the purposes of the title. The express purposes of the EFTA are to establish “the rights, liabilities, and responsibilities of participants in electronic fund transfer systems” and to provide “individual consumer rights.” See EFTA Section 902(b); 15 U.S.C. 1693. The Board is exercising its authority under EFTA Sections 904(a) and 915(d)(2) for the reasons discussed above to provide for the delayed

effective date of the disclosure requirements of §§ 205.20(e)(1), 205.20(e)(3)(i)–(iii), and 205.20(f), and part of § 205.20(c)(3).

Finally, as discussed above, the Board is exercising its authority under EFTA Section 904(c) to implement § 205.20(h)(3)(i), which clarifies that, with respect to in-store signage and general advertising, the disclosures required by § 205.20(h)(2) are not required to be provided on or after January 31, 2011.

#### V. Regulatory Flexibility Analysis

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires an initial and final regulatory flexibility analysis only when 5 U.S.C. 553 requires publication of a notice of proposed rulemaking. See 5 U.S.C. 603(a), 604(a). As discussed in the interim final rule, the Board found good cause under 5 U.S.C. 553(b)(3)(B) to conclude that publication of a notice of proposed rulemaking was impracticable. Accordingly, the Board is not required to perform an initial or final regulatory flexibility analysis. Nonetheless, the Board is publishing a final regulatory flexibility analysis. Based on its analysis and for the reasons stated below, the Board believes that the final rule is not likely to have a significant economic impact on a substantial number of small entities.

1. *Statement of the need for, and objectives of, the final rule.* This final rule implements the Gift Card Amendment by delaying the effective date of certain disclosures required by the Credit Card Act. This final rule also carries out the intended purpose of the Gift Card Amendment by delaying the effective date of certain supplemental requirements adopted in the final gift card rule. The Board believes that these revisions to Regulation E are within Congress's broad grant of authority to the Board to adopt provisions that carry out the purposes of the Credit Card Act and to facilitate compliance with the EFTA. These revisions facilitate compliance with the EFTA by permitting gift certificates, store gift cards, and general-use prepaid cards produced prior to April 1, 2010 to be sold through January 31, 2011, even if they do not state the disclosures required under the final gift card rule, so long as consumers continue to receive specified substantive protections with respect to certificate or card fees and expiration dates.

2. *Small entities affected by the final rule.* The number of small entities affected by this final rule is unknown, as discussed in more detail in the Regulatory Flexibility Analysis in the

final gift card rule. 75 FR 16610 (Apr. 1, 2010). The delayed effective date of certain disclosures on certificates and cards will reduce the burden and compliance costs for small institutions by providing relief from the requirement to remove and destroy non-compliant certificates and cards and to replace them with compliant certificates or cards, so long as consumers are provided substantive rights under the rule and so long as alternative specified disclosures are made.

3. *Reporting, recordkeeping, and compliance requirements.* The compliance requirements of this final rule are described above in Part III. Section-by-Section Analysis.

4. *Steps taken to minimize economic impact on small entities.* As previously noted, the final rule implements the statutory mandate to delay the effective date of certain gift card provisions of the Credit Card Act. The final rule also delays the effective date of certain additional requirements finalized in the April 2010 final gift card rule. As such, the final rule minimizes the economic impact of the final gift card rule on small entities.

5. *Other federal rules.* The Board has not identified any federal rules that duplicate, overlap, or conflict with the final revisions to Regulation E.

**VI. Paperwork Reduction Act**

In accordance with the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3506; 5 CFR part 1320 Appendix A.1), the Board reviewed the final rule under the authority delegated to the Board by the Office of Management and Budget (OMB). The collection of information that is subject to the PRA by this final rule is found in 12 CFR part 205. The Federal Reserve may not conduct or sponsor, and an organization is not required to respond to, this information collection unless the information collection displays a currently valid OMB control number. The OMB control number is 7100-0200.

This information collection is required to provide benefits for consumers and is mandatory. See 15 U.S.C. 1693 *et seq.* Since the Board does not collect any information, no issue of confidentiality arises. The respondents/recordkeepers are for-profit financial institutions, including small businesses. Institutions are required to retain records for 24 months, but this regulation does not specify types of records that must be retained.

The Gift Card Amendment amends section 403 of the Credit Card Act to delay the effective date of certain gift card disclosure provisions of the Credit Card Act for certificates or cards

produced prior to April 1, 2010. The Gift Card Amendment provides an extended effective date with respect to these provisions in order to permit the sale of existing card stock until January 31, 2011. The final rule published today revises the April 2010 final gift card rule in order to implement the Gift Card Amendment.

While the final rule delays the implementation of several disclosure requirements (§§ 205.20(c)(3), (d)(2), (e)(1), and (e)(3)), and temporarily implements several other requirements (§§ 205.20(h)), it does not change the overall burden associated with Regulation E. The Federal Reserve believes that the original burden estimates are more than sufficient to cover the temporary requirements. The estimates and total burden (738,600 hours) therefore will remain unchanged as published in the final rule. The Federal Reserve continues to expect that the amount of time required to implement each of the proposed changes for a given institution may vary based on the size and complexity of the respondent.

The other federal financial agencies are responsible for estimating and reporting to OMB the total paperwork burden for the institutions for which they have administrative enforcement authority. They may, but are not required to, use the Federal Reserve's burden estimation methodology. Using the Federal Reserve's method, the total annual burden for the respondents regulated by the federal financial agencies is estimated to be 4,430,659 hours. This estimate also remains unchanged.

The Federal Reserve has a continuing interest in the public's opinions of our collections of information. At any time, comments regarding the burden estimate, or any other aspect of this collection of information, including suggestions for reducing the burden, may be sent to: Secretary, Board of Governors of the Federal Reserve System, Washington, DC 20551; and to the Office of Management and Budget, Paperwork Reduction Project (7100-0200), Washington, DC 20503.

**List of Subjects in 12 CFR Part 205**

Consumer protection, Electronic fund transfers, Federal Reserve System, Reporting and recordkeeping requirements.

■ For the reasons set forth in the preamble, the Board adopts as final the interim final rule published at 75 FR 50683, August 17, 2010, with the following changes:

**PART 205—ELECTRONIC FUND TRANSFERS (REGULATION E)**

■ 1. The authority citation for part 205 continues to read as follows:

**Authority:** 15 U.S.C. 1693b.

■ 2. In § 205.20 paragraphs (c)(2) and (g)(1) are republished and paragraph (h) is revised to read as follows:

**§ 205.20 Requirements for gift cards and gift certificates.**

\* \* \* \* \*

(c) \* \* \*

(2) *Format.* Disclosures made under this section generally must be provided to the consumer in written or electronic form. Except for the disclosures in paragraphs (c)(3) and (h)(2), written and electronic disclosures made under this section must be in a retainable form. Only disclosures provided under paragraphs (c)(3) and (h)(2) of this section may be given orally.

\* \* \* \* \*

(g) \* \* \*

(1) *Effective date for gift certificates, store gift cards, and general-use prepaid cards.* Except as provided in paragraph (h), the requirements of this section apply to any gift certificate, store gift card, or general-use prepaid card sold to a consumer on or after August 22, 2010, or provided to a consumer as a replacement for such certificate or card.

\* \* \* \* \*

(h) *Temporary exemption.* (1) *Delayed effective date.* For any gift certificate, store gift card, or general-use prepaid card produced prior to April 1, 2010, the effective date of the requirements of paragraphs (c)(3), (d)(2), (e)(1), (e)(3), and (f) of this section is January 31, 2011, provided that an issuer of such certificate or card:

(i) Complies with all other provisions of this section;

(ii) Does not impose an expiration date with respect to the funds underlying such certificate or card;

(iii) At the consumer's request, replaces such certificate or card if it has funds remaining at no cost to the consumer; and

(iv) Satisfies the requirements of paragraph (h)(2) of this section.

(2) *Additional disclosures.* Issuers relying on the delayed effective date in § 205.20(h)(1) must disclose through in-store signage, messages during customer service calls, Web sites, and general advertising, that:

(i) The underlying funds of such certificate or card do not expire;

(ii) Consumers holding such certificate or card have a right to a free replacement certificate or card, which must be accompanied by the packaging

and materials typically associated with such certificate or card; and

(iii) Any dormancy, inactivity, or service fee for such certificate or card that might otherwise be charged will not be charged if such fees do not comply with Section 915 of the Electronic Fund Transfer Act.

(3) *Expiration of additional disclosure requirements.* The disclosures in paragraph (h)(2) of this section:

(i) Are not required to be provided on or after January 31, 2011, with respect to in-store signage and general advertising.

(ii) Are not required to be provided on or after January 31, 2013, with respect to messages during customer service calls and Web sites.

\* \* \* \* \*

■ 3. In Supplement I to part 205, new paragraph 20(h) is revised as follows:

**Supplement I to Part 205—Official Staff Interpretations**

\* \* \* \* \*

**Section 205.20—Requirements for Gift Cards and Gift Certificates**

\* \* \* \* \*

*20(h) Temporary Exemption*

**20(h)(1)—Delayed Effective Date**

1. *Application to certificates or cards produced prior to April 1, 2010.* Certificates or cards produced prior to April 1, 2010 may be sold to a consumer on or after August 22, 2010 without satisfying the requirements of § 205.20(c)(3), (d)(2), (e)(1), (e)(3), and (f) through January 30, 2011, provided that issuers of such certificates or cards comply with the additional substantive and disclosure requirements of §§ 205.20(h)(1)(i) through (iv). Issuers of certificates or cards produced prior to April 1, 2010 need not satisfy these additional requirements if the certificates or cards fully comply with the rule (§§ 205.20(a) through (f)). For example, the in-store signage and other disclosures required by § 205.20(h)(2) do not apply to gift cards produced prior to April 1, 2010 that do not have fees and do not expire, and which otherwise comply with the rule.

2. *Expiration of temporary exemption.* Certificates or cards produced prior to April 1, 2010 that do not fully comply with §§ 205.20(a) through (f) may not be issued or sold to consumers on or after January 31, 2011.

**20(h)(2)—Additional Disclosures**

1. *Disclosures through third parties.* Issuers may make the disclosures required by § 205.20(h)(2) through a third party, such as a retailer or merchant. For example, an issuer may have a merchant install in-store signage with the disclosures required by § 205.20(h)(2) on the issuer's behalf.

2. *General advertising disclosures.* Section 205.20(h)(2) does not impose an obligation on the issuer to advertise gift certificates, store gift cards, or general-use prepaid cards.

By order of the Board of Governors of the Federal Reserve System, October 22, 2010.

**Jennifer J. Johnson,**

*Secretary of the Board.*

[FR Doc. 2010-27191 Filed 10-28-10; 8:45 am]

**BILLING CODE 6210-01-P**

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

**14 CFR Part 39**

**[Docket No. FAA-2010-0516; Directorate Identifier 2009-NM-251-AD; Amendment 39-16484; AD 2010-22-05]**

**RIN 2120-AA64**

**Airworthiness Directives; Fokker Services B.V. Model F.28 Mark 0070 and 0100 Airplanes**

**AGENCY:** Federal Aviation Administration (FAA), Department of Transportation (DOT).

**ACTION:** Final rule.

**SUMMARY:** We are adopting a new airworthiness directive (AD) for the products listed above. This AD results from mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and correct an unsafe condition on an aviation product. The MCAI describes the unsafe condition as:

When preparing for landing, the flight crew of a F28 Mark 0100 (Fokker 100) aeroplane observed a main landing gear (MLG) unsafe indication after landing gear down selection. \* \* \* [T]he right (RH) MLG was partly extended and the left (LH) MLG door was open but without the MLG being extended. \* \* \*

Subsequent investigation revealed that the cause of the MLG extension problem was the (partially) blocked hydraulic return line from the MLG selector valve by pieces of hard plastic. These were identified as parts of the poppet seat of PBSOV [parking brake shut-off valve] Part Number (P/N) 70379. \* \* \*

This condition, if not detected and corrected, could lead to further events where the MLG fails to extend, possibly resulting in loss of control of the aeroplane during landing.

\* \* \* \* \*

We are issuing this AD to require actions to correct the unsafe condition on these products.

**DATES:** This AD becomes effective December 3, 2010.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of December 3, 2010.

**ADDRESSES:** You may examine the AD docket on the Internet at <http://www.regulations.gov>

or in person at the U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE., Washington, DC.

**FOR FURTHER INFORMATION CONTACT:** Tom Rodriguez, Aerospace Engineer, International Branch, ANM-116, Transport Airplane Directorate, FAA, 1601 Lind Avenue, SW., Renton, Washington 98057-3356; telephone (425) 227-1137; fax (425) 227-1149.

**SUPPLEMENTARY INFORMATION:**

**Discussion**

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to include an AD that would apply to the specified products. That NPRM was published in the **Federal Register** on May 18, 2010 (75 FR 27668). That NPRM proposed to correct an unsafe condition for the specified products. The MCAI states:

When preparing for landing, the flight crew of a F28 Mark 0100 (Fokker 100) aeroplane observed a main landing gear (MLG) unsafe indication after landing gear down selection. The approach was aborted and the landing gear unsafe procedure was accomplished. As this did not produce the desired effect, a low pass was performed and the control tower confirmed that the right (RH) MLG was partly extended and the left (LH) MLG door was open but without the MLG being extended. Eventually the aeroplane landed with partly extended landing gear, without resulting in serious injuries to the occupants.

Subsequent investigation revealed that the cause of the MLG extension problem was the (partially) blocked hydraulic return line from the MLG selector valve by pieces of hard plastic. These were identified as parts of the poppet seat of PBSOV [parking brake shut-off valve] Part Number (P/N) 70379. The PBSOV installed on the incident aeroplane was a modified version of P/N 70379, identified by suffix "A" behind the serial number on the identification plate. This modification was introduced by Eaton, the valve manufacturer, with Eaton Service Bulletin (SB) 70379-32-01 and includes replacement of the original poppet with clamped hard plastic seat by an improved poppet assembly with screwed-on seat. When the affected valve was opened, it was confirmed that it contained the improved poppet assembly. The poppet seat fragments found in the return system therefore originated from a previously installed (pre SB 70379-32-01) P/N 70379 PBSOV and must have been present in the return/pressure line prior to installation of the modified PBSOV.

This condition, if not detected and corrected, could lead to further events where the MLG fails to extend, possibly resulting in loss of control of the aeroplane during landing.

For the reasons described above, this [EASA] AD requires the [detailed] inspection of the associated hydraulic lines, irrespective what type PBSOV is installed, removal of