

mile radius (reduced from a 6.5-mile radius) to 12.3 miles (increased from 12.2 miles) north of the airport, and removing the segment within 2.5 miles each side of the 000° bearing of the Leesville NDB extending from the 6.5-mile radius to 7.3 miles north of the airport; and

Harry P. Williams Memorial Airport, Patterson, LA, by removing the segment within 2.5 mile each side of the 233° bearing from the Patterson RBN extending from the 6.5-mile radius to 7.5 miles southwest of the airport. Additionally, the geographic coordinates for Harry P. Williams Memorial Airport, are adjusted to coincide with the FAA's aeronautical database.

Airspace reconfiguration is necessary due to the decommissioning of the Leesville NDB and Patterson RBN, and cancellation of the navigation aid approaches at these airports. Controlled airspace is necessary for the safety and management of standard instrument approach procedures for IFR operations at these airports.

Class E airspace designations are published in paragraph 6005 of FAA Order 7400.11B, dated August 3, 2017, and effective September 15, 2017, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designations listed in this document will be published subsequently in the Order.

Regulatory Notices and Analyses

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, is non-controversial and unlikely to result in adverse or negative comments. It, therefore: (1) Is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under 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 only affects air traffic procedures and air navigation, it is certified that this rule, when promulgated, does 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 this action qualifies for categorical exclusion under the National Environmental Policy Act in accordance with FAA Order 1050.1F, "Environmental Impacts: Policies and Procedures,"

paragraph 5–6.5.a. This airspace action is not expected to cause any potentially significant environmental impacts, and no extraordinary circumstances exist that warrant preparation of an environmental assessment.

Lists of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Amendment

In consideration of the foregoing, the Federal Aviation Administration amends 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, B, C, D, AND E AIRSPACE AREAS; AIR TRAFFIC SERVICE ROUTES; AND REPORTING POINTS

- 1. The authority citation for part 71 continues to read as follows:

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

§ 71.1 [Amended]

- 2. The incorporation by reference in 14 CFR 71.1 of FAA Order 7400.11B, Airspace Designations and Reporting Points, dated August 3, 2017, and effective September 15, 2017, is amended as follows:

Paragraph 6005. Class E Airspace Areas Extending Upward From 700 Feet or More Above the Surface of the Earth.

* * * * *

ASW LA E5 Leesville, LA [Amended]

Leesville Airport, LA
(Lat. 31°10'06" N., long. 93°20'33" W.).

That airspace extending upward from 700 feet above the surface within a 6.4-mile radius of Leesville Airport, and within 3.7 miles each side of the 360° bearing from the airport extending from the 6.4-mile radius to 12.3 miles north of the airport, excluding that airspace within the Fort Polk, LA, Class D airspace area, and excluding that airspace within restricted area R–3803A.

* * * * *

ASW LA E5 Patterson, LA [Amended]

Patterson, Harry P. Williams Memorial Airport, LA
(Lat. 29°42'34" N., long. 91°20'20" W.).

That airspace extending upward from 700 feet above the surface within a 6.5-mile radius of Harry P. Williams Memorial Airport.

Issued in Fort Worth, Texas, on September 19, 2017.

Walter Tweedy,

*Acting Manager, Operations Support Group,
ATO Central Service Center.*

[FR Doc. 2017–20591 Filed 9–26–17; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Docket No. FAA–2016–9481; Airspace
Docket No. 16–ASW–18]

Amendment of Class E Airspace; Midland, TX and Establishment of Class E Airspace; Odessa, TX and Midland, TX

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This action modifies Class E airspace extending upward from 700 feet above the surface at Midland International Air and Space Port Airport (formerly Midland International Airport), Midland, TX, due to the closing of Mabee Ranch Airport, decommissioning of the Mabee non-directional radio beacon (NDB), and cancellation of NDB approaches at Mabee Ranch Airport. Additionally, this action establishes Class E airspace extending upward from 700 feet above the surface at Odessa Airport-Schlemeyer Field, Odessa, TX and Midland Airpark, Midland, TX, to accommodate special instrument approach procedures developed at these airports to enhance the safety and management of standard instrument approach procedures for instrument flight rules (IFR) operations. Also, an editorial change is made to the Class E surface area airspace legal description replacing Airport/Facility Directory with the term Chart Supplement. In addition, the airport name is changed to Midland International Air and Space Port Airport to coincide with the FAA's aeronautical database.

DATES: Effective 0901 UTC, December 7, 2017. The Director of the Federal Register approves this incorporation by reference action under Title 1, Code of Federal Regulations, part 51, subject to the annual revision of FAA Order 7400.11 and publication of conforming amendments.

ADDRESSES: FAA Order 7400.11B, Airspace Designations and Reporting Points, and subsequent amendments can be viewed online at http://www.faa.gov/air_traffic/publications/. For further information, you can contact the Airspace Policy Group, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591; telephone: (202) 267–8783. The Order is also available for inspection at the National Archives and Records Administration (NARA). For information on the availability of FAA

Order 7400.11B at NARA, call (202) 741-6030, or go to <https://www.archives.gov/federal-register/cfr/ibr-locations.html>.

FAA Order 7400.11, Airspace Designations and Reporting Points, is published yearly and effective on September 15.

FOR FURTHER INFORMATION, CONTACT: Rebecca Shelby, Federal Aviation Administration, Operations Support Group, Central Service Center, 10101 Hillwood Parkway, Fort Worth, TX 76177; telephone (817) 222-5857.

SUPPLEMENTARY INFORMATION:

Authority for This Rulemaking

The FAA's authority to issue rules regarding aviation safety is found in Title 49 of the United States Code. Subtitle I, Section 106 describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency's authority. This rulemaking is promulgated under the authority described in Subtitle VII, Part A, Subpart I, Section 40103. Under that section, the FAA is charged with prescribing regulations to assign the use of airspace necessary to ensure the safety of aircraft and the efficient use of airspace. This regulation is within the scope of that authority as it amends Class E airspace extending upward from 700 feet above the surface at Midland International Air Space Port Airport by removing Mabee Ranch Airport, Midland, TX, due to closing of the airport; and establishes Class E airspace at Odessa Airport-Schlemeyer Field, Odessa, TX, and Midland Airpark, Midland, TX, to support special instrument approach procedures for IFR operations at these airports.

History

On May 26, 2017, the FAA published in the **Federal Register** (82 FR 24266) Docket No. FAA-2016-9481, a notice of proposed rulemaking (NPRM) to amend Class E airspace at Midland International Air and Space Port Airport, Midland, TX; and establish Class E airspace extending upward from 700 feet above the surface at Odessa Airport-Schlemeyer Field, Odessa, TX, and Midland Airpark, Midland, TX. Interested parties were invited to participate in this rulemaking effort by submitting written comments on the proposal to the FAA. No comments were received.

Class E airspace designations are published in paragraph 6002, and 6005, respectively, of FAA Order 7400.11B, dated August 3, 2017, and effective September 15, 2017, which is

incorporated by reference in 14 CFR 71.1. The Class E airspace designations listed in this document will be published subsequently in the Order.

Availability and Summary of Documents for Incorporation by Reference

This document amends FAA Order 7400.11B, Airspace Designations and Reporting Points, dated August 3, 2017, and effective September 15, 2017. FAA Order 7400.11B is publicly available as listed in the **ADDRESSES** section of this document. FAA Order 7400.11B lists Class A, B, C, D, and E airspace areas, air traffic service routes, and reporting points.

The Rule

This amendment to Title 14, Code of Federal Regulations (14 CFR) part 71 modifies: Class E airspace extending upward from 700 feet above the surface to within a 7.1-mile radius (from a 17.4-mile radius) of Midland International Air and Space Port Airport, Midland, TX, and also amends the airport name from Midland International Airport to Midland International Air and Space Port Airport in this and other associated Class E airspace areas. Airspace reconfiguration is necessary due to the closing of Mabee Ranch Airport, and decommissioning and cancellation of the Mabee NDB and NDB approaches.

This action also established Class E airspace extending upward from 700 feet above the surface within a 6.6-mile radius of both Midland Airpark, Midland, TX and Odessa Airport-Schlemeyer Field, Odessa, TX, to accommodate special instrument approach procedures for IFR operations at these airports.

Additionally, this action makes an editorial change in the legal description by replacing Airport/Facility Directory with the term Chart Supplement in the Class E surface area airspace.

Class E airspace areas are published in Paragraph 6002 and 6005, respectively, of FAA Order 7400.11B, dated August 3, 2017, and effective September 15, 2017, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this document will be published subsequently in the Order.

Regulatory Notices and Analyses

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, is non-controversial and unlikely to result in adverse or negative comments. It, therefore: (1) Is not a

“significant regulatory action” under Executive Order 12866; 2) is not a “significant rule” under 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 only affects air traffic procedures and air navigation, it is certified that this rule, when promulgated, does 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 this action qualifies for categorical exclusion under the National Environmental Policy Act in accordance with FAA Order 1050.1F, “Environmental Impacts: Policies and Procedures,” paragraph 5-6.5.a. This airspace action is not expected to cause any potentially significant environmental impacts, and no extraordinary circumstances exist that warrant preparation of an environmental assessment.

Lists of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Amendment

In consideration of the foregoing, the Federal Aviation Administration amends 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, B, C, D, AND E AIRSPACE AREAS; AIR TRAFFIC SERVICE ROUTES; AND REPORTING POINTS

- 1. The authority citation for part 71 continues to read as follows:

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

§ 71.1 [Amended]

- 2. The incorporation by reference in 14 CFR 71.1 of FAA Order 7400.11B, Airspace Designations and Reporting Points, dated August 3, 2017, and effective September 15, 2017, is amended as follows:

Paragraph 6002 Class E Airspace Areas Designated as Surface Areas.

* * * * *

ASW TX E2 Midland International Air and Space Port Airport, TX [Amended]

Midland International Air and Space Port Airport, TX
(Lat. 31°56'33" N., long. 102°12'07" W.)

Within a 5-mile radius of Midland International Air and Space Port Airport. This Class E airspace area is effective during the specific dates and times established in

advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Chart Supplement.

Paragraph 6005 Class E Airspace Areas Extending Upward From 700 Feet or More Above the Surface of the Earth.

* * * * *

ASW TX E5 Midland, TX [Amended]

Midland International Air and Space Port
Airport, TX

(Lat. 31°56'33" N., long. 102°12'07" W.)

That airspace extending upward from 700 feet above the surface within a 7.1-mile radius of Midland International Air and Space Port Airport.

ASW TX E5 Midland, TX [New]

Midland Airpark, TX

(Lat. 32°02'12" N., long. 102°06'05" W.)

That airspace extending upward from 700 feet above the surface within a 6.6-mile radius of Midland Airpark.

* * * * *

ASW TX E5 Odessa, TX [New]

Odessa Airport-Schlemeyer Field, TX

(Lat. 31°55'17" N., long. 102°23'14" W.)

That airspace extending upward from 700 feet above the surface within a 6.6-mile radius of Odessa Airport-Schlemeyer Field Airport.

Issued in Fort Worth, Texas, on September 19, 2017.

Walter Tweedy,

*Acting Manager, Operations Support Group,
ATO Central Service Center.*

[FR Doc. 2017-20592 Filed 9-26-17; 8:45 am]

BILLING CODE 4910-13-P

SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 229 and 249

[Release No. 33-10415; 34-81673; File No. S7-07-13]

Commission Guidance on Pay Ratio Disclosure

AGENCY: Securities and Exchange Commission.

ACTION: Interpretation.

SUMMARY: The Securities and Exchange Commission is publishing interpretive guidance to assist registrants in preparation of their pay ratio disclosures required by Item 402(u) of Regulation S-K.

DATES: *Effective Date:* September 27, 2017.

FOR FURTHER INFORMATION CONTACT: John Fieldsend, Special Counsel, or Steven G. Hearne, Senior Special Counsel, at (202) 551-3430, in the Division of Corporation Finance; 100 F Street NE., Washington, DC 20549.

SUPPLEMENTARY INFORMATION:

I. Introduction

In 2015, the Commission adopted a rule¹ to implement the pay ratio disclosure requirement² mandated by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act.³ In doing so, the Commission stated its belief that, in order for the data points provided by the rule to be of use to investors, the pay ratio rule “should be designed to allow shareholders to better understand and assess a particular registrant’s compensation practices and pay ratio disclosures rather than to facilitate a comparison of this information from one registrant to another.”⁴ Consistent with this view, the Commission stated that it sought to provide flexibility in a manner that would “reduce costs and burdens for registrants while preserving what we perceive to be the purpose and intended benefits” of the statutorily mandated disclosure.⁵ Under the final rule, registrants must provide pay ratio disclosure for the first fiscal year beginning on or after January 1, 2017, which means that registrants will begin making pay ratio disclosures in early 2018.

In light of the approaching compliance date and concerns raised about the implementation of the disclosure requirement,⁶ this release provides additional guidance to assist registrants in their compliance efforts. In addition, the Commission staff is publishing guidance about the use of statistical sampling to assist registrants in determining their median employee for purposes of the pay ratio disclosure.⁷

II. Commission Guidance

A. Use of Reasonable Estimates, Assumptions, and Methodologies and Statistical Sampling

The pay ratio rule affords significant flexibility to registrants in determining

appropriate methodologies to identify the median employee and calculating the median employee’s annual total compensation.⁸ Required disclosure may be based on a registrant’s reasonable belief; use of reasonable estimates, assumptions, and methodologies; and reasonable efforts to prepare the disclosures.⁹ Specifically, the rule permits registrants to use reasonable estimates to identify the median employee, including by using statistical sampling and a consistently applied compensation measure (such as payroll or tax records).¹⁰ The rule also allows registrants to use reasonable estimates in calculating the annual total compensation or any elements of annual total compensation for employees.¹¹ The rule further provides that if a registrant changes its methodology or its material assumptions, adjustments, or estimates, and the effects are significant, the registrant must briefly describe the change and the reasons for the change.¹²

In light of the use of estimates, assumptions, adjustments, and statistical sampling permitted by the rule, pay ratio disclosures may involve a degree of imprecision. This has led some commenters to express concerns about compliance uncertainty and potential liability.¹³ In our view, if a registrant uses reasonable estimates, assumptions or methodologies, the pay ratio and related disclosure that results from such use would not provide the basis for Commission enforcement action unless the disclosure was made or reaffirmed without a reasonable basis or was provided other than in good faith.

B. Use of Internal Records

Item 402(u) requires a registrant to disclose the median of the annual total compensation of all its employees excluding its principal executive officer.¹⁴ We are providing guidance as to the use of existing internal records, such as tax or payroll records, to make this determination.

1. Non-U.S. Employees

The final rule defines the term “employee” to include U.S. employees and employees located in a jurisdiction outside the United States (“non-U.S.

¹ *Pay Ratio Disclosure*, Release No. 33-9877 (Aug. 5, 2015) [80 FR 50103 (Aug. 18, 2015)] (“Pay Ratio Release”).

² 15 U.S.C. 78n(i).

³ Public Law 111-203, sec. 953(b), 124 Stat. 1376, 1904 (2010), as amended by Public Law 112-106, sec. 102(a)(3), 126 Stat. 306, 309 (2012).

⁴ Pay Ratio Release, *supra* note 1, at 50106.

⁵ *Id.* at 50107.

⁶ See, e.g., letters from Business Roundtable (Mar. 23, 2017) (“BRT”), Davis Polk & Wardwell LLP (Mar. 23, 2017) (“Davis Polk”), Financial Services Roundtable (Mar. 23, 2017) (“FSR”), The Insurance Coalition (Mar. 23, 2017) (“Insurance Coalition”), National Association of Manufacturers (Mar. 23, 2017) (“NAM”), and Society for Corporate Governance (Mar. 24, 2017) (“SCG”) available at <https://www.sec.gov/comments/pay-ratio-statement/payratiostatement.htm>.

⁷ See Division of Corporation Finance Guidance on Calculation of Pay Ratio Disclosure, September 21, 2017, available at <https://www.sec.gov/rules/interp/2017/33-10415.pdf>.

⁸ See Pay Ratio Release, *supra* note 1, at 50135–50138.

⁹ See, e.g., Instruction 2 and Instruction 4 to Item 402(u) of Regulation S-K (17 CFR 229.402(u)).

¹⁰ See Instruction 4 to Item 402(u) of Regulation S-K.

¹¹ *Id.*

¹² *Id.*

¹³ See, e.g., letters from BRT, Davis Polk, and NAM.

¹⁴ 17 CFR 229.402(u)(1).