

fermentation system that meets all of the following conditions:

(A) Submerged fermentation (i.e., growth of the microorganism occurs beneath the surface of the liquid growth medium).

(B) No solid plant material or insoluble substrate is included with the microorganism for fermentation.

(C) Any fermentation of solid plant material or insoluble substrate, to which fermentation broth is added, is initiated only after the inactivation of the microorganism as delineated in 40 CFR 725.422(d).

(ii) [Reserved]

(b) [Reserved]

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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 64

[CC Docket No. 96-115; DA 12-818]

Privacy and Security of Information Stored on Mobile Communications Devices

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document seeks comment on the privacy and data security practices of mobile wireless services providers with respect to customer information stored on their users' mobile communications devices. In addition, the document seeks comment on the application of existing privacy and security requirements to such information.

DATES: Comments may be filed on or before July 13, 2012, and reply comments may be filed on or before July 30, 2012.

ADDRESSES: You may submit comments, identified by CC Docket No. 96-115, by any of the following methods:

■ *Federal Communications Commission's Web Site:* <http://fjallfoss.fcc.gov/ecfs2/>. Follow the instructions for submitting comments.

■ *Mail:* See the **SUPPLEMENTARY INFORMATION** section of this document.

■ *People with Disabilities:* Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by email: FCC504@fcc.gov or phone: 202-418-0530 or TTY: 202-418-0432. For detailed instructions for submitting comments and additional information, see the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: For further information regarding this proceeding, contact Douglas Klein, Office of General Counsel, (202) 418-1720.

SUPPLEMENTARY INFORMATION: This is a summary of a Public Notice released by the Wireline Competition Bureau, the Wireless Telecommunications Bureau, and the Office of General Counsel on May 25, 2012. The full text of this document is available for public inspection and copying during regular business hours in the Commission's Reference Information Center, Portals II, 445 12th Street SW., Room CY-A257, Washington, DC 20554. The complete text of this document also may be purchased from the Commission's copy contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street SW., Room CY-B402, Washington, DC 20554, telephone (202) 488-5300, facsimile (202) 488-5563 or via email FCC@BCPIWEB.com. The full text may also be downloaded at <http://www.fcc.gov>. Pursuant to §§ 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS). See *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

■ *Electronic Filers:* Comments may be filed electronically using the Internet by accessing the ECFS: <http://fjallfoss.fcc.gov/ecfs2/>.

■ *Paper Filers:* Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

■ All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St. SW., Room TW-A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.

■ Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.

■ U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street SW., Washington, DC 20554.

Documents will be available for public inspection and copying during business hours at the FCC Reference Information Center, Portals II, Room CY-A257, 445 12th Street SW., Washington, DC 20554. The documents may also be purchased from BCPI, telephone (202) 488-5300, facsimile (202) 488-5563, TTY (202) 488-5562, email fcc@bcpiweb.com.

People with Disabilities: To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an email to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

The Commission has designated this proceeding as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. 47 CFR 1.1200 *et seq.*; *Amendment of Certain of the Commission's Part 1 Rules of Practice and Procedure and Part 0 Rules of Commission Organization*, Notice of Proposed Rulemaking, 25 FCC Rcd 2430, 2439-40 (2010). Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with § 1.1206(b)

of the Commission's rules. In proceedings governed by § 1.49(f) of the Commission's rules or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

Summary of Public Notice

This Public Notice seeks comment on the privacy and data security practices of mobile wireless service providers with respect to customer information stored on their users' mobile communications devices and the application of existing privacy and security requirements to that information. Since the Commission last solicited public input on this question five years ago, technologies and business practices have evolved dramatically. The devices consumers use to access mobile wireless networks have become more sophisticated and powerful, and their expanded capabilities have at times been used by wireless providers to collect information about particular customers' use of the network—sometimes, it appears, without informing the customer. Service providers' collection and use of this information may be a legitimate and effective way to improve the quality of wireless services. At the same time, the collection, transmission, and storage of this customer-specific network information raise new privacy and security concerns.

Section 222 of the Communications Act of 1934, as amended, establishes the duty of every telecommunications carrier to “protect the confidentiality of proprietary information of, and relating to * * * customers.” Further, every carrier must protect “customer proprietary network information” (CPNI) that it receives or obtains by virtue of its provision of a telecommunications service and may use, disclose, or permit access to such information only in limited circumstances. The Commission is charged with enforcing those obligations.

In 2007, the Commission updated its rules implementing these statutory obligations to address the practice of “pretexting” and to reaffirm that carriers are responsible for taking all reasonable steps to protect their customers' private

information. At the same time, the Commission adopted a Further Notice of Proposed Rulemaking to address another emerging privacy issue: the obligations of mobile carriers to secure the privacy of customer information stored in mobile communications devices. Although the Commission's particular focus in 2007 was on carriers' duty to erase customer information on mobile equipment prior to refurbishing the equipment, the issue of customer information on mobile devices has recently gained greater prominence. In particular, carriers recently have acknowledged using software embedded or preinstalled on wireless devices to collect information about the performance of the device and the provider's network.

Comparing the record collected by the Commission five years ago to the publicly available facts today highlights the need to refresh our record. In response to the 2007 Further Notice, AT&T Inc., for example, emphasized consumers' control of the information residing on their devices, stating: “[D]ecisions about what personal data to store, or not to store, on a mobile device rest with the consumer. Carriers do not typically have access to such information and play no role in determining what information a consumer chooses to store on mobile devices or how that information is used. Indeed, in some respects, mobile communications devices are becoming more like computers, laptops, personal digital assistants and other devices that permit customers to store their information. In the same vein that consumers erase information stored on those devices (or shred paper copies of bills or other documents that contain personal information), consumers are necessarily in the best position to know what data they have stored on their mobile devices and to take responsibility for safeguarding and erasing that information before disposal or recycling the device.” Sprint similarly stated in 2007 that “[w]ireless carriers are not well-positioned to guarantee the privacy of customer information stored on devices” because those devices are manufactured by suppliers and “in the physical control and custody of customers.”

In recent months, it has become clear that these submissions are badly out of date. Mobile carriers are directing the collection and storage of customer-specific information on mobile devices. In response to questions from Congress concerning its use of Carrier IQ software, AT&T explained that it gathers customer-specific data as an “enhance[ment of] its network reporting

capabilities” and to collect information about its network from the perspective of its users' devices, “a view that cannot be obtained from the network alone.” Answering the same questions, Sprint identified a “legitimate need to deploy and use diagnostic software in the maintenance and operation of [Sprint's] services” and described how Sprint worked with the software vendor to customize data collection for Sprint's devices and network. T-Mobile likewise stated that it uses software on its customers' mobile devices to “assist[] T-Mobile in improving our customers' wireless experience by capturing and analyzing a narrow set of data related to some of the most common issues our customers experience.” The data collected in this manner may be shared with a third party for purposes of network diagnostics or improving customer care.

Commission staff has itself inquired into practices of mobile wireless service providers with respect to information stored on their customers' mobile communications devices. The staff's inquiry has focused on possible harms to consumers and on what service provider obligations, if any, apply or should apply under section 222 and other provisions of law within the Commission's jurisdiction. In light of these developments, we now seek to refresh the record in this docket concerning the practices of mobile wireless service providers with respect to information stored on their customers' mobile communications devices. How have those practices evolved since we collected information on this issue in the 2007 Further Notice? Are consumers given meaningful notice and choice with respect to service providers' collection of usage-related information on their devices? Do current practices serve the needs of service providers and consumers, and in what ways? Do current practices raise concerns with respect to consumer privacy and data security? How are the risks created by these practices similar to or different from those that historically have been addressed under the Commission's CPNI rules? Have these practices created actual data-security vulnerabilities? Should privacy and data security be greater considerations in the design of software for mobile devices, and, if so, should the Commission take any steps to encourage such privacy by design? What role can disclosure of service providers' practices to wireless consumers play? To what extent should consumers bear responsibility for the privacy and

security of data in their custody or control?

Specifically with respect to section 222, we seek comment on the applicability and significance in this context of telecommunications carriers' duty under section 222(a) to protect customer information. Further, the definition of CPNI in section 222(h)(1) includes information "that is made available to a carrier by the customer solely by virtue of the carrier-customer relationship," a phrase that on its face could apply to information collected at a carrier's direction even before it has been transmitted to the carrier. We seek comment on this analysis. We further seek comment on which, if any, of the following factors are relevant to assessing a wireless provider's obligations under section 222 and the Commission's implementing rules, or other provisions of law within this Commission's jurisdiction, and in what ways: whether the device is sold by the service provider; whether the device is locked to the service provider's network so that it would not work with a different service provider; the degree of control that the service provider exercises over the design, integration, installation, or use of the software that collects and stores information; the service provider's role in selecting, integrating, and updating the device's operating system, preinstalled software, and security capabilities; the manner in which the collected information is used; whether the information pertains to voice service, data service, or both; and the role of third parties in collecting and storing data.

Are any other factors relevant? If so, what are these other factors, and what is their relevance? What privacy and security obligations should apply to customer information that service providers cause to be collected by and stored on mobile communications devices? How does the obligation of carriers to "take reasonable measures to discover and protect against attempts to gain unauthorized access to CPNI" apply in this context? What should be the obligations when service providers use a third party to collect, store, host, or analyze such data? What would be the advantages and disadvantages of clarifying mobile service providers' obligations, if any, with respect to information stored on mobile devices—for instance through a declaratory ruling? What are the potential costs and benefits associated with such clarification?

Federal Communications Commission.

Jennifer Tatel,

Associate General Counsel, Office of General Counsel.

[FR Doc. 2012-14496 Filed 6-12-12; 8:45 am]

BILLING CODE 6712-01-P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 594

[Docket No. NHTSA 2012-0080, Notice 1]

RIN 2127-AL09

Schedule of Fees Authorized

AGENCY: National Highway Traffic Safety Administration (NHTSA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document proposes fees for Fiscal Year 2013 and until further notice, as authorized by 49 U.S.C. 30141, relating to the registration of importers and the importation of motor vehicles not certified as conforming to the Federal motor vehicle safety standards (FMVSS). These fees are needed to maintain the registered importer (RI) program.

DATES: You should submit your comments early enough to ensure that Docket Management receives them not later than July 13, 2012.

ADDRESSES: Comments should refer to the docket and notice numbers above and be submitted by any of the following methods:

- **Federal eRulemaking Portal:** Go to <http://www.regulations.gov>. Follow the online instructions for submitting comments.
- **Mail:** Docket Management Facility: U.S. Department of Transportation, 1200 New Jersey Avenue SE., West Building Ground Floor, Room W12-140, Washington, DC 20590-0001.
- **Hand Delivery or Courier:** West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., between 9 a.m. and 5 p.m. ET, Monday through Friday, except Federal holidays.
- **Fax:** 202-493-2251.

Instructions: For detailed instructions on submitting comments and additional information on the rulemaking process, see the Public Participation heading of the Supplementary Information section of this document. Note that all comments received will be posted without change to <http://www.regulations.gov>, including any personal information provided. Please see the Privacy Act heading below.

Privacy Act: Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477-78) or you may visit <http://DocketInfo.dot.gov>.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov> or to the street address listed above. Follow the online instructions for accessing the dockets.

FOR FURTHER INFORMATION CONTACT:

Clint Lindsay, Office of Vehicle Safety Compliance, NHTSA (202-366-5291). For legal issues, you may call Nicholas Englund, Office of Chief Counsel, NHTSA (202-366-5263). You may call Docket Management at 202-366-9324. You may visit the Docket in person from 9 a.m. to 5 p.m., Monday through Friday.

SUPPLEMENTARY INFORMATION:

Introduction

NHTSA published a notice on June 24, 1996 (61 FR 32411) fully discussing the rulemaking history of 49 CFR Part 594 and the fees authorized by the Imported Vehicle Safety Compliance Act of 1988, Public Law 100-562, since recodified at 49 U.S.C. 30141-47. The reader is referred to that notice for background information relating to this rulemaking action. Certain fees were initially established to become effective January 31, 1990, and have been periodically adjusted since then.

We are required to review and make appropriate adjustments at least every two years in the fees established for the administration of the RI program. *See* 49 U.S.C. 30141(e). The fees applicable in any fiscal year (FY) are to be established before the beginning of such year. *Ibid.* We are proposing fees that would become effective on October 1, 2012, the beginning of fiscal year (FY) 2013. The statute authorizes fees to cover the costs of the importer registration program, to cover the cost of making import eligibility decisions, and to cover the cost of processing the bonds furnished to the Department of Homeland Security (Customs). We last amended the fee schedule in 2010. *See* final rule published on August 11, 2010 at 75 FR 48608. Those fees apply to Fiscal Years 2011 and 2012.

Proposed fees are based on time and costs associated with the tasks for which the fees are assessed. The fees proposed