transportation to the public, (2) the total fixed charges resulting from the proposed transaction, and (3) the interest of affected carrier employees. Applicants have submitted the information required by 49 CFR 1182.2, including information demonstrating that the proposed transaction is consistent with the public interest under 49 U.S.C. 14303(b), *see* 49 CFR 1182.2(a)(7), and a jurisdictional statement under 49 U.S.C. 14303(g) that the aggregate gross operating revenues of the involved carriers exceeded $2 million during a consecutive 12-month period ending not more than 6 months before the date of the agreement of the parties, *see* 49 CFR 1182.2(a)(5).

According to the application, Applicants' formation and control of the Carriers has not had any material adverse impact on the transportation provided by Valley Bus. (Appl. 19.) Applicants state that the transactions have allowed Applicants to expand their business into new markets, offer new types of service using different types of vehicles, meet local school district demand for motor coach service, and serve additional school districts and customer bases. (*Id.*) Applicants claim that their customers have benefited from Applicants' experience and the Carriers' combined resources and economies of scale. (*Id.*) The application therefore asserts that Applicants' control of the Carriers has not impaired the adequacy of transportation to the public. (*Id.* at 21.)

The application states that the Applicants did not use debt or incur fixed charges during the transactions for which they now seek approval, and accordingly assert that these transactions did not result in fixed charges that adversely affected Carriers' ability to continue providing transportation. (*Id.*) Applicants also state that the transactions have not adversely affected employee or labor conditions, resulted in substantial layoffs, or caused adverse changes to wages, benefits, or working conditions occurred due to transactions. (*Id.*) According to the application, the transactions instead allowed Applicants to expand and hire additional drivers and employees. (*Id.*)

Applicants state that their control of the Carriers has not adversely affected competition. (*Id.* at 19.) According to the application, Valley Bus, West Fargo Bus Company and Valley Bus Grand Forks each focus on home-to-school transportation, but they provide service to different school districts, and their school district service areas do not overlap. (*Id.* at 19–20.) Applicants further state that Valley Bus, Valley Bus Coaches, and T&J Ventures all operate within the Fargo metropolitan area, but offer distinct services and serve different markets. (*Id.*) The application explains that Valley Bus provides home-to-school transportation and ancillary charter service to the Fargo School District using yellow school buses, Valley Bus Coaches provides motor coach services for school athletic trips, universities, and other regional customers, and T&J Ventures provides shuttle bus service to the general public using small shuttle buses. (*Id.*) The application states that the Carriers face competition from national, regional, and local bus providers, and must also compete with other modes of transportation such as ride-sharing services and public transit. (*Id.* at 21.)

Based on Applicants' representations, the Board finds that the transactions for which the Applicants seek approval are consistent with the public interest. The application will be tentatively approved and authorized. If any opposing comments are timely filed, these findings will be deemed vacated, and, unless a final decision can be made on the record as developed, a procedural schedule will be adopted to reconsider the application. *See* 49 CFR 1182.6. If no opposing comments are filed by the expiration of the comment period, this notice will take effect automatically and will be the final Board action in this proceeding.

This action is categorically excluded from environmental review under 49 CFR 1105.6(c).

Board decisions and notices are available at *www.stb.gov.*

It is ordered:

1. The transactions are approved and authorized, subject to the filing of opposing comments.

2. If opposing comments are timely filed, the findings made in this notice will be deemed vacated.

3. This notice will be effective on August 11, 2026, unless opposing comments are filed by August 10, 2026. If any comments are filed, Applicants may file a reply by August 24, 2026.

4. A copy of this notice will be served on: (1) the U.S. Department of Transportation, Federal Motor Carrier Safety Administration, 1200 New Jersey Avenue SE, Washington, DC 20590; (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue NW, Washington, DC 20530; and (3) the U.S. Department of Transportation, Office of the General Counsel, 1200 New Jersey Avenue SE, Washington, DC 20590.

5. This notice will be published in the **Federal Register**.

Decided: June 18, 2026.

By the Board, Board Members Fuchs, Hedlund, Kloster, and Schultz.

Zantori Dickerson,

Clearance Clerk.

[FR Doc. 2026–12639 Filed 6–23–26; 8:45 am]

BILLING CODE 4915–01–P

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket Nos. USTR–2026–0463 and USTR–2026–0464]

Initiation of Section 301 Investigation; Hearing; and Request for Public Comments: Germany's Persistent Underpayment for Innovative Pharmaceutical Products

AGENCY: Office of the United States Trade Representative (USTR).

ACTION: Notice of initiation of investigation and a hearing, and a request for comments.

SUMMARY: The United States Trade Representative (U.S. Trade Representative) has initiated an investigation pursuant to the Trade Act of 1974, as amended (Trade Act), with respect to Germany's persistent underpayment for innovative pharmaceutical products. The inter-agency Section 301 Committee is holding a public hearing and seeking public comments in connection with this investigation.

DATES:

June 18, 2026: The U.S. Trade Representative initiated the investigation.

June 25, 2026: USTR will open the docket for submission of written comments.

August 10, 2026, at 11:59 p.m. EDT: To be assured of consideration, submit written comments and requests to appear at the hearing, along with a summary of testimony, by this date.

September 22, 2026: The Section 301 Committee will convene a public hearing in the main hearing room of the U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436, beginning at 10:00 a.m. If necessary, the hearing may continue on the next business day.

Seven calendar days after the last day of the public hearing: Due date for submission of post-hearing rebuttal comments.

ADDRESSES: Submit documents in response to this notice, including written comments, hearing appearance requests, summaries of testimony, and post-hearing rebuttal comments through the online USTR portal: *https://comments.ustr.gov/s/*.

FOR FURTHER INFORMATION CONTACT: For procedural questions concerning comments or participating in the public hearing, contact the USTR Section 301 support line at (202) 395–5725. Direct all other questions regarding this notice to Philip Butler, Chair of the Section 301 Committee, or Catherine Gibson, Deputy Assistant U.S. Trade Representative for Monitoring & Enforcement, at (202) 395–5725.

SUPPLEMENTARY INFORMATION:

I. Background

On May 12, 2025, the President issued Executive Order 14297, titled *Delivering Most-Favored-Nation Prescription Drug Pricing to American Patients* (E.O.). *See* 90 FR 20749. Pursuant to the E.O., on May 30, 2025, USTR issued a ''Request for Comments Regarding Foreign Nations Freeloading on American-Financed Innovation,'' including on foreign country acts, policies, and practices that have the effect of forcing American patients to pay for a disproportionate amount of global pharmaceutical research and development (R&D), including by suppressing the price of pharmaceutical products below fair market value in foreign countries. *See* 90 FR 23105 (May 30, 2025 notice). USTR solicited comments in the May 30, 2025 notice to augment information on unfair pharmaceutical pricing practices obtained in response to previous requests for comments by USTR, including USTR's February 25, 2025 ''Request for Comments to Assist in Reviewing and Identifying Unfair Trade Practices and Initiating All Necessary Actions to Investigate Harm From Non-Reciprocal Trade Arrangements.'' *See* 90 FR 10677 (February 25, 2025 notice).

Evidence indicates that Germany implements unfair pricing policies and practices with regard to innovative pharmaceutical products. Evidence further suggests that reduced revenue associated with these acts, policies, and practices contributes to, among other things, reduced investment for R&D that supports the development of innovative pharmaceuticals. As a result, the United States pays a disproportionate share of global R&D costs for innovative pharmaceuticals. U.S. consumers pay approximately 3.9 times as much as the prices consumers in Germany pay for brand-name drugs. Lower prices in Germany resulting from unreasonable pricing policies and practices reduce pharmaceutical companies' incentives to innovate and, in turn, diminish their investment in R&D. In contrast, higher U.S. prices support and fund global R&D costs for innovative pharmaceutical manufacturers and, thereby, unfairly shift Germany's fair share of costs for pharmaceutical innovation onto U.S. patients and consumers.

This investigation will focus initially on the following means and tools that Germany uses to implement its unfair pricing policies and practices:

Germany conditions the confidentiality of manufacturers' pharmaceutical pricing on certain criteria, including acceptance of a 9 percent price discount and payment of additional administrative costs.

In 2026, Germany's Ministry of Health introduced draft legislation designed to reduce pharmaceutical spending. This legislation would impose an additional mandatory rebate for patented medicines starting in 2027. The current proposal envisions a fixed rate at 3.5 percent for the first half of 2027 and would thereafter change into a variable rate based on the difference between actual and target expenditures of the health insurance funds for all medicines, divided by sales of innovative medicines. According to one estimate, this dynamic rebate will reach 20 percent by 2030.

II. Initiation of Section 301 Investigation

Section 302(b)(1)(A) of the Trade Act authorizes the U.S. Trade Representative to initiate an investigation to determine whether an act, policy, or practice of a foreign country is actionable under Section 301 of the Trade Act. Actionable conduct under Section 301 includes acts, policies, and practices of a foreign country that are unreasonable or discriminatory and burden or restrict U.S. commerce. An act, policy, or practice is unreasonable if, while not necessarily in violation of, or inconsistent with, the international legal rights of the United States, it is otherwise unfair and inequitable.

On June 18, 2026, the U.S. Trade Representative initiated a Section 301 investigation with respect to Germany's persistent underpayment for innovative pharmaceutical products. This investigation will focus initially on the extent to which Germany engages in acts, policies, and practices that have the effect of suppressing the prices of pharmaceuticals in its market below fair market value, thereby forcing American patients to underwrite a disproportionate amount of global pharmaceutical R&D, as described in Section I above, and similar acts, policies, and practices.

Pursuant to Section 302(b)(1)(B) of the Trade Act, USTR has consulted with appropriate advisory committees and the inter-agency Section 301 Committee. Pursuant to Section 303(a) of the Trade Act, USTR is requesting consultations with the Government of Germany.

Pursuant to Section 304 of the Trade Act, on the basis of this investigation, the U.S. Trade Representative must determine whether an act, policy, or practice of Germany is actionable under Section 301. If that determination is affirmative, the U.S. Trade Representative must determine whether action is appropriate, and if so, what action to take.

III. Request for Public Comments

You may submit written comments on any issue covered by the investigation. In particular, USTR invites comments regarding:

- The acts, policies, and practices described in Section I above.
- Information on other acts, policies, and practices of Germany related to persistent underpayment for innovative pharmaceutical products.
- Whether the acts, policies, and practices of Germany are unreasonable or discriminatory.
- Whether the acts, policies, and practices of Germany burden or restrict U.S. commerce, and if so, the nature and level of burden or restriction on U.S. commerce.
- Whether the acts, policies, and practices of Germany are actionable under section 301(b) of the Trade Act, and what action, if any, should be taken, including tariff and non-tariff actions.
- The extent to which Germany's unreasonable acts, policies, and practices relating to pricing for innovative pharmaceutical products, including through the means and tools described in Section I, result in the United States paying a disproportionate share of global R&D costs for innovative pharmaceuticals.

To be assured of consideration, USTR must receive written comments by 11:59 p.m. EDT on August 10, 2026. Additional instructions on how to submit written comments are provided below in Part V.

IV. Hearing Participation

The Section 301 Committee will convene a public hearing on September 22, 2026, and if needed, the hearing will continue on September 23, 2026. To testify at the hearing, you must submit a request to appear using the electronic portal at *https://comments.ustr.gov/s/,* following the instructions in Part V below. Requests to appear must include a summary of testimony, and may be accompanied by a prehearing submission. Remarks at the hearing are limited to five minutes to allow for

possible questions from the Section 301 Committee. All submissions must be in English. To be assured of consideration, USTR must receive your request to appear and summary of the testimony by August 10, 2026.

Post-hearing rebuttal comments, which should be limited to rebutting or supplementing testimony presented at the hearing, may be submitted within seven calendar days after the last day of the public hearing. Rebuttal comments must be submitted using the electronic portal at *https://comments.ustr.gov/s/,* following the instructions in Part V below.

V. Submissions Instructions

Interested persons must submit written comments, requests to appear at the hearing, summaries of testimony, and post-hearing rebuttal comments using the appropriate docket on the portal at *https://comments.ustr.gov/s/*. To make a submission, use the docket on the portal entitled 'Request for Comments on the Section 301 Investigation Regarding Germany's Persistent Underpayment for Innovative Pharmaceutical Products,' docket number USTR–2026–0463. Interested persons wishing to provide testimony at the hearing must submit a notification of intent and summary of testimony using the docket entitled 'Request to Appear at the Hearing on the Section 301 Investigation Regarding Germany's Persistent Underpayment for Innovative Pharmaceutical Products,' docket number USTR–2026–0464.

You do not need to establish an account to submit comments or a notification of intent to testify. The first screen allows you to enter identification and contact information. Third-party organizations such as law firms, trade associations, or customs brokers should identify the full legal name of the organization they represent and identify the primary point of contact for the submission. Information fields are optional. However, USTR may not consider your comment or request if insufficient information is provided. Fields with a gray Business Confidential Information (BCI) notation are for BCI information that will not be made publicly available. Fields with a green (Public) notation will be viewable by the public. After entering the identification and contact information, you can complete the remainder of the comment, or any portion of it, by clicking 'Next.' You may upload documents at the end of the form and indicate whether USTR should treat the documents as business confidential or public information. Any page containing BCI must be clearly marked 'BUSINESS CONFIDENTIAL' on the top of that page and the submission should clearly indicate, via brackets, highlighting, or other means, the specific information that is BCI. If you request business confidential treatment, you must certify in writing that the information would not customarily be released to the public. Parties uploading attachments containing BCI also must submit a public version of their comments. If these procedures are not sufficient to protect BCI or otherwise protect business interests, please contact the USTR Section 301 support line at (202) 395–5725 to discuss whether alternative arrangements are possible. USTR will post attachments uploaded to the docket for public inspection, except for properly designated BCI. You can view submissions on USTR's electronic portal at *https://comments.ustr.gov/s/*.

Jennifer Thornton,

General Counsel, Office of the United States Trade Representative.

[FR Doc. 2026–12671 Filed 6–23–26; 8:45 am]

BILLING CODE 3390–F4–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Notice of Intent To Rule on a Request To Release Surplus Property and Land Swap at the Palatka Municipal Airport, Palatka, FL

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

ACTION: Request for public comment.

SUMMARY: Notice is being given that the FAA is considering a request from the City of Palatka to release four parcels comprising 14.98+ acres and swap for a 12.37+ acre parcel at the Palatka Municipal Airport, Palatka, FL from the conditions, reservations, and restrictions as contained in a Quitclaim Deed agreement between the FAA and the City of Palatka, dated February 28, 1947. The release of property will allow the City of Palatka to dispose of the property for non-aeronautical purposes.

DATES: Comments are due on or before July 24, 2026.

ADDRESSES: Documents are available for review at the Palatka Municipal Airport, 4015 Reid St., Palatka, FL 32177, and the FAA Airports District Office, 8427 SouthPark Circle, Suite 524, Orlando, FL 32819. Written comments on the Sponsor's request must be delivered or mailed to: Jenny Iglesias-Hamann, Community Planner, Orlando Airports District Office, 8427 SouthPark Circle, Suite 524, Orlando, FL 32819.

FOR FURTHER INFORMATION CONTACT: Jenny Iglesias-Hamann, Community Planner, Orlando Airports District Office, 8427 SouthPark Circle, Suite 524, Orlando, FL 32819, (407) 487–7234.

SUPPLEMENTARY INFORMATION: The property is located:

Parcel 1—Northeast end of Kay Larkin Circle (old taxiway), 0.70 Acres.

Parcel 2—Combined Western portion of land release to be retained by City, 5.82 Acres.

Parcel 3—South & east border to Nations Industrial Park Property adjacent airfield, 7.42 Acres.

Parcel 4—Northern end of Kay Larkin Drive, 1.04 Acres.

The parcels are currently depicted on the approved Airport Layout Plan as a non-aeronautical land use. The property will be released of its federal obligations given the land is no longer required by the City of Palatka for airport purposes. The value of the land to be acquired, 12.37 ± acres is appraised at $445,000.00, while the 14.98 ± acres proposed for release is valued at $539,000.00. Therefore, the City will transfer $94,000.00 into the airport operating fund, thereby creating an equitable swap for the airport. Section 125 of The Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR–21) requires the FAA to provide an opportunity for public notice and comment prior to the ''waiver'' or ''modification'' of a sponsor's Federal obligation to use certain airport land for non-aeronautical purposes.

The ''City'' will notate on ALP the requirement to own and control all land within existing and future RVZ.

Authority for the Policy: This notice is published under the authority described in Title 49 of the United States Code, Subtitle VII, part B, chapter 471, Section 47107(h)(2).

Revision Date: June 15, 2026.

Juan C. Brown,

Manager, Orlando Airports District Office.

[FR Doc. 2026–12643 Filed 6–23–26; 8:45 am]

BILLING CODE 4910–13–P