



# FEDERAL REGISTER

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Proclamation 10907 of March 24, 2025

The President

## Greek Independence Day: A National Day of Celebration of Greek and American Democracy, 2025

By the President of the United States of America

### A Proclamation

On March 25, 1821, fueled by the rallying cry, “Freedom or Death,” Greek revolutionaries began a war for independence against the Ottoman Empire. The hard-fought victory established a sovereign Greek state and a national homeland for Greece. On the 204th anniversary of Greek Independence Day, we honor this heroic fight for freedom, and the enduring democratic ideals that continue to inspire the world.

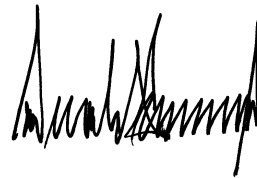
America is inextricably tied to both ancient and modern Greece. We are tethered by history and tradition, the struggle for self-governance, emancipation, and rebirth. Our Founding Fathers drew inspiration from Greek philosophers and statesmen to form the tenets of our new Republic, now enshrined in our Constitution. Our national character has been shaped, in part, by the indelible impact of Greek influence in the arts and architecture, language and literature, and academia and military tradition. Today, across the United States, generations of Greek Americans infuse our neighborhoods and communities with a rich legacy of cultural traditions, and a heritage of family, faith, hospitality, and civic responsibility.

Greece is one of our Nation’s oldest friends, strategic partners, and a valued NATO ally. We appreciate the support of Prime Minister Kyriakos Mitsotakis in our economic and diplomatic partnership as we forge opportunities for collaboration in key sectors including energy, science, technology, shipping, logistics, and defense. The permanent presence of naval forces in Souda Bay and bilateral training events enhance warfighting capabilities and reflect our mutual commitment to joint military cooperation as a cornerstone of security and stability in Europe.

On this day, we pause to celebrate Hellenic independence, people of Greek heritage worldwide, and the abiding kinship of likeminded nations who cherish democracy, patriotism, prosperity, and peace.

NOW, THEREFORE, I, DONALD J. TRUMP, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States, do hereby proclaim March 25, 2025, as Greek Independence Day: A National Day of Celebration of Greek and American Democracy. I call upon the people of the United States to observe this day with appropriate ceremonies and activities.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-fourth day of March, in the year of our Lord two thousand twenty-five, and of the Independence of the United States of America the two hundred and forty-ninth.

A handwritten signature in black ink, appearing to be "Donald Trump", written in a stylized, cursive script.

## Presidential Documents

Executive Order 14245 of March 24, 2025

### Imposing Tariffs on Countries Importing Venezuelan Oil

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and section 301 of title 3, United States Code, and in view of the national emergency declared with respect to Venezuela in Executive Order 13692 of March 8, 2015 (Blocking Property and Suspending Entry of Certain Persons Contributing to the Situation in Venezuela), as continued most recently in the notice of February 27, 2025 (Continuation of the National Emergency with Respect to Venezuela), I, DONALD J. TRUMP, President of the United States of America, find that the actions and policies of the regime of Nicolás Maduro in Venezuela continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. The activities of the Tren de Aragua gang, a transnational criminal organization originating in Venezuela and designated as a Foreign Terrorist Organization and a Specially Designated Global Terrorist organization, have intensified this threat, as highlighted in Proclamation 10903 of March 14, 2025 (Invocation of the Alien Enemies Act Regarding the Invasion of the United States by Tren De Aragua). Furthermore, Venezuela's ongoing destabilizing actions, including its support for illicit activities, necessitate further economic measures to protect United States interests.

In light of these circumstances, and to address the continued national emergency with respect to Venezuela that forms the basis for Executive Order 13692 and subsequent orders, I hereby order:

**Section 1. Findings.** (a) The Tren de Aragua gang, a transnational criminal organization with origins in Venezuela, has been designated as a Foreign Terrorist Organization by the United States due to its extensive involvement in terrorist activities such as kidnapping and violent attacks, including the assassination of a Venezuelan opposition figure, that destabilize communities across the Western Hemisphere. The prior administration's open-borders policies facilitated the infiltration of the United States by members of Tren de Aragua, allowing these dangerous criminals to establish a foothold within United States cities and prey upon American citizens. The Maduro regime aided and facilitated the influx of Tren de Aragua members into the United States during the prior administration by failing to control its borders, permitting the gang's operations to flourish within Venezuela, and refusing to take action against its members, thereby exacerbating the illegal immigration crisis.

(b) Existing sanctions on Venezuela, including those imposed in Executive Order 13692, Executive Order 13808 of August 24, 2017 (Imposing Additional Sanctions with Respect to the Situation in Venezuela), Executive Order 13850 of November 1, 2018 (Blocking Property of Additional Persons Contributing to the Situation in Venezuela), and Executive Order 13884 of August 5, 2019 (Blocking Property of the Government of Venezuela), remain in effect. The actions and policies of the Maduro regime that were the basis for those orders continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. These actions include:

- (i) The systematic undermining of democratic institutions through the suppression of free and fair elections and the illegitimate consolidation of power by the regime of Nicolás Maduro;
- (ii) Endemic economic mismanagement and public corruption at the expense of the Venezuelan people and their prosperity;
- (iii) The regime's responsibility for the deepening humanitarian and public health crisis in Venezuela; and
- (iv) The destabilization of the Western Hemisphere through the forced migration of millions of Venezuelans, imposing significant burdens on neighboring countries.

**Sec. 2. *Imposition of Tariffs.*** (a) On or after April 2, 2025, a tariff of 25 percent may be imposed on all goods imported into the United States from any country that imports Venezuelan oil, whether directly from Venezuela or indirectly through third parties. Duties imposed by this order will be supplemental to duties on imports already imposed pursuant to IEEPA, section 232 of the Trade Expansion of 1962, section 301 of the Trade Act of 1974, or any other authority.

(b) The Secretary of State, in consultation with the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Homeland Security, and the United States Trade Representative, is hereby authorized to determine in his discretion whether the tariff of 25 percent will be imposed on goods from any country that imports Venezuelan oil, directly or indirectly, on or after April 2, 2025.

(c) Once imposed on a country at the Secretary of State's discretion, the tariff of 25 percent shall expire 1 year after the last date on which the country imported Venezuelan oil, or at an earlier date if the Secretary of Commerce, in consultation with the Secretary of State, the Secretary of the Treasury, the Secretary of Homeland Security, and the United States Trade Representative, so determines at his discretion.

**Sec. 3. *Administration and Enforcement.*** (a) The Secretary of State, in coordination with the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Homeland Security, and the United States Trade Representative, is hereby authorized to impose the tariffs established by this order.

(b) The Secretary of Commerce, in coordination with the Secretary of State and the Attorney General, is hereby authorized to:

- (i) Determine whether a country has imported Venezuelan oil, directly or indirectly;
- (ii) Issue regulations, guidance, and determinations as necessary to implement this order;
- (iii) Coordinate with the heads of other executive departments and agencies to ensure compliance; and
- (iv) Take any additional actions consistent with applicable law to carry out the purposes of this order.

(c) Any prior Presidential Proclamation, Executive Order, or other Presidential directive or guidance that is inconsistent with the direction in this order is hereby terminated, suspended, or modified to the extent necessary to give full effect to this order.

(d) Any other Presidential Proclamation, Executive Order, or other Presidential directive or guidance that applies to Venezuela or a country subject to a tariff under section 2 of this order remains in full effect, except to the extent specified in subsection (c) of this section.

(e) If the Secretary of State, at his discretion, decides to impose a tariff under section 2 of this order on China, that tariff shall also apply to both the Hong Kong Special Administrative Region and the Macau Special Administrative Region, as a measure to reduce the risk of transshipment and evasion.

**Sec. 4. *Reporting and Review.*** The Secretary of State and the Secretary of Commerce shall submit periodic reports to the President, within 180

days of the date of this order and no less than every 180 days thereafter, assessing the effectiveness of the tariffs described in this order and the ongoing conduct of the Maduro regime.

**Sec. 5. Definitions.** For the purposes of this order:

(a) The term “Venezuelan oil” means crude oil or petroleum products extracted, refined, or exported from Venezuela, regardless of the nationality of the entity involved in the production or sale of such crude oil or petroleum products.

(b) The term “indirectly” includes purchases of Venezuelan oil through intermediaries or third countries where the origin of the oil can reasonably be traced to Venezuela, as determined by the Secretary of Commerce.

**Sec. 6. Effective Date.** This order is effective at 12:01 a.m. eastern daylight time on April 2, 2025.

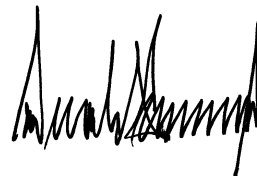
**Sec. 7. General Provisions.** (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) The authority granted by law to an executive department or agency, or the head thereof; or

(ii) The functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.



THE WHITE HOUSE,  
March 24, 2025.

# Rules and Regulations

Federal Register

Vol. 90, No. 58

Thursday, March 27, 2025

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents.

## CONSUMER PRODUCT SAFETY COMMISSION

### 16 CFR Part 1238

[Docket No. CPSC–2018–0015]

### Safety Standard for Stationary Activity Centers

**AGENCY:** Consumer Product Safety Commission.

**ACTION:** Direct final rule.

**SUMMARY:** In June 2019, the U.S. Consumer Product Safety Commission (CPSC or Commission) published a consumer product safety standard for stationary activity centers pursuant to section 104 of the Consumer Product Safety Improvement Act of 2008 (CPSIA). The Commission's mandatory standard incorporates by reference ASTM F2012–18<sup>e1</sup>, *Standard Consumer Safety Performance Specification for Stationary Activity Centers*. The CPSIA sets forth a process for updating mandatory standards for durable infant or toddler products that are based on a voluntary standard, when a voluntary standards organization revises the standard. In November 2024, ASTM published a revised voluntary standard. This direct final rule updates the mandatory standard for stationary activity centers to incorporate by reference the 2024 version of ASTM F2012, which the Commission has allowed to become the mandatory standard under section 104. The purpose of the direct final rule is to conform the Code of Federal Regulations (CFR) to the correct version of ASTM F2012 to provide an accurate reference to the standard that will be enforced as a mandatory rule.

**DATES:** The rule is effective on July 5, 2025, unless the Commission receives a significant adverse comment by April 28, 2025. If the Commission receives such a comment, it will publish a notice in the **Federal Register**, withdrawing this direct final rule before its effective date. The incorporation by reference of

the publication listed in this rule is approved by the Director of the Federal Register as of July 5, 2025.

**ADDRESSES:** You can submit comments, identified by Docket No. CPSC–2018–0015, by any of the following methods:

*Electronic Submissions:* Submit electronic comments to the Federal eRulemaking Portal at: <https://www.regulations.gov>. Follow the instructions for submitting comments. CPSC typically does not accept comments submitted by email, except as described below.

*Mail/Hand Delivery/Courier/Confidential Written Submissions:* CPSC encourages you to submit electronic comments by using the Federal eRulemaking Portal. You may, however, submit comments by mail, hand delivery, or courier to: Office of the Secretary, Consumer Product Safety Commission, 4330 East-West Highway, Bethesda, MD 20814; telephone: (301) 504–7479. If you wish to submit confidential business information, trade secret information, or other sensitive or protected information that you do not want to be available to the public, you may submit such comments by mail, hand delivery, or courier, or you may email them to: [cpsc-os@cpsc.gov](mailto:cpsc-os@cpsc.gov).

*Instructions:* All submissions must include the agency name and docket number. CPSC may post all comments without change, including any personal identifiers, contact information, or other personal information provided, to: <https://www.regulations.gov>. Do not submit to this website: confidential business information, trade secret information, or other sensitive or protected information that you do not want to be available to the public. If you wish to submit such information, please submit it according to the instructions for mail/hand delivery/courier/confidential written submissions.

*Docket:* For access to the docket to read background documents or comments received, go to: <https://www.regulations.gov>, and insert the docket number, CPSC–2018–0015, into the “Search” box, and follow the prompts.

**FOR FURTHER INFORMATION CONTACT:** Bradley Gordon, Project Manager, Division of Mechanical and Combustion Engineering, U.S. Consumer Product Safety Commission, 5 Research Place, Rockville, MD 20850; telephone: (301) 987–2099; email: [bgordon@cpsc.gov](mailto:bgordon@cpsc.gov).

## SUPPLEMENTARY INFORMATION:

### I. Statutory Authority and Background

#### A. Statutory Authority

Section 104(b) of the CPSIA requires the Commission to assess the effectiveness of voluntary standards for durable infant or toddler products<sup>1</sup> and adopt mandatory standards for these products. 15 U.S.C. 2056a(b)(1). Mandatory standards must be “substantially the same as” applicable voluntary standards, or they may be “more stringent” than the voluntary standards if the Commission determines that more stringent requirements would further reduce the risk of injury associated with the products. *Id.* Accordingly, mandatory standards may be based, in whole or in part, on a voluntary standard.

Section 104(b)(4)(B) of the CPSIA specifies the process for when a voluntary standards organization revises a standard the Commission has incorporated by reference under section 104(b)(1). 15 U.S.C. 2056a(b)(4)(B). First, the voluntary standards organization must notify the Commission of the revision. Once the Commission receives this notification, the Commission may reject or accept the revised standard. To reject a revised standard, the Commission must notify the voluntary standards organization within 90 days of receiving the notice of revision that the Commission has determined that the revised standard does not improve the safety of the consumer product and that CPSC is retaining the existing standard. If the Commission does not take this action, then the revised voluntary standard will be considered a consumer product safety standard issued under section 9 of the Consumer Product Safety Act (CPSA) (15 U.S.C. 2058), effective 180 days after the Commission received notification of the revision (or a later date specified by the Commission in the **Federal Register**). 15 U.S.C. 2056a(b)(4)(B).

#### B. Safety Standard for Stationary Activity Centers

On June 18, 2019, under section 104 of the CPSIA, the Commission published the first stationary activity centers rule that incorporated by reference ASTM F2012–18<sup>e1</sup>, *Standard*

<sup>1</sup> Section 104(f)(2)(G) of the CPSIA lists stationary activity centers as a durable infant or toddler product. 15 U.S.C. 2056a(f)(2)(G).

*Consumer Safety Performance Specification for Stationary Activity Centers*, as the mandatory standard. 84 FR 28205.

The ASTM standard incorporated by CPSC defines a stationary activity center as “a freestanding product intended to remain stationary that enables a sitting or standing occupant whose torso is completely surrounded by the product to walk, rock, play, spin or bounce, or all of these, within a limited range of motion.” Section 3.1.12, ASTM F2012–18<sup>e1</sup>; see 16 CFR 1238.2.

On January 6, 2025, ASTM notified the Commission that it had approved and published a newly revised version of the voluntary standard, ASTM F2012–24. The revision includes a change to update the requirements for assessing the permanency of warning labels attached to the product. The Commission determines that this change improves the safety of stationary activity centers, because it provides improved requirements for permanent attachment of labels and improved testing consistency of label permanency.

The revision to the standard also adds example warning labels that manufacturers can use on stationary activity centers, and it also includes several editorial changes. The Commission determines that these changes are safety-neutral and do not reduce the safety of stationary activity centers because they do not change any requirements in the standard.

On January 21, 2025, the Commission published in the **Federal Register** a Notice of Availability, requesting comment on whether the 2024 revision improves the safety of stationary activity

centers. 90 FR 6844. CPSC received one anonymous comment, discussed below, addressing the new example warning labels.

Based on staff’s evaluation of ASTM F2012–24 and consideration of the comment received, the Commission will allow ASTM F2012–24 to become the new consumer product safety standard for stationary activity centers because it improves safety. Pursuant to CPSIA section 104, the revised voluntary standard will take effect as the new mandatory standard for stationary activity centers on July 5, 2025. 15 U.S.C. 2056a(b)(4)(B). This direct final rule updates 16 CFR part 1238 to incorporate by reference the applicable provisions of the revised voluntary standard, ASTM F2012–24.<sup>2</sup>

## II. Description of ASTM F2012–24 Related to Stationary Activity Centers

The ASTM standard for stationary activity centers includes performance requirements, test methods, and requirements for marking, labeling, and instructional literature, to address hazards to children associated with stationary activity centers. The 2024 revision to the voluntary standard, ASTM F2012, includes updated requirements for assessing the permanency of attaching warning labels, updated warning label examples, and editorial changes.

### A. Updated Requirements for Assessing Warning Label Permanency

In section 7.5.3 of ASTM F2012–24, ASTM revised the requirement to assess the permanency of attaching a warning label by a seam. In ASTM F2012–18<sup>e1</sup>,

section 7.5.3 includes instructions to test whether a warning label is permanent, which require clamping the label and applying a specified pull force in *any direction*. In ASTM F2012–24, ASTM revised the test requirements to specify that (1) the same pull force specified in ASTM F2012–18<sup>e1</sup> must be applied in the direction most likely to cause failure, rather than in any direction, and (2) the pull force must be applied gradually within a period of 5 seconds and then maintained for an additional 10 seconds. The direction most likely to cause failure can be determined by applying pull forces to the label in different directions until separation from the product, to identify the direction with the lowest pull force. These changes are consistent with recommendations of the Ad Hoc Language task group. The Commission determines that the updated requirements are an improvement in safety because: (1) the requirement to pull the warning label in the direction most likely to cause failure represents the worst-case scenario and thus will better ensure the permanency of the label; and (2) the addition of a specific test duration will provide better consistency across test labs.

### B. Updated Warning Labels

In ASTM F2012–18<sup>e1</sup>, section 8.4.7 provides one example of a warning label that meets the formatting requirements for a warning label’s message panel text layout in section 8.4.6. This figure, shown in Figure 1, continues to be provided in section 8.4.7 in ASTM F2012–24.

**BILLING CODE 6355–01–P**

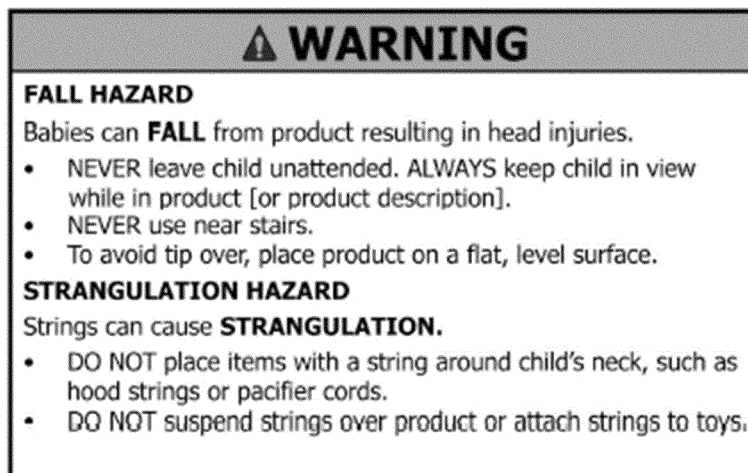


Figure 1. Warning Example<sup>3</sup>

<sup>2</sup> On March 18, 2025, the Commission voted (4–1) to publish this direct final rule.

The 2024 version of ASTM F2012, however, updates the language in section 8.4.7 from “an example

warning” to “[e]xample warnings” to refer to four other example warning

labels that are added to ASTM F2012, shown in Figure 2.

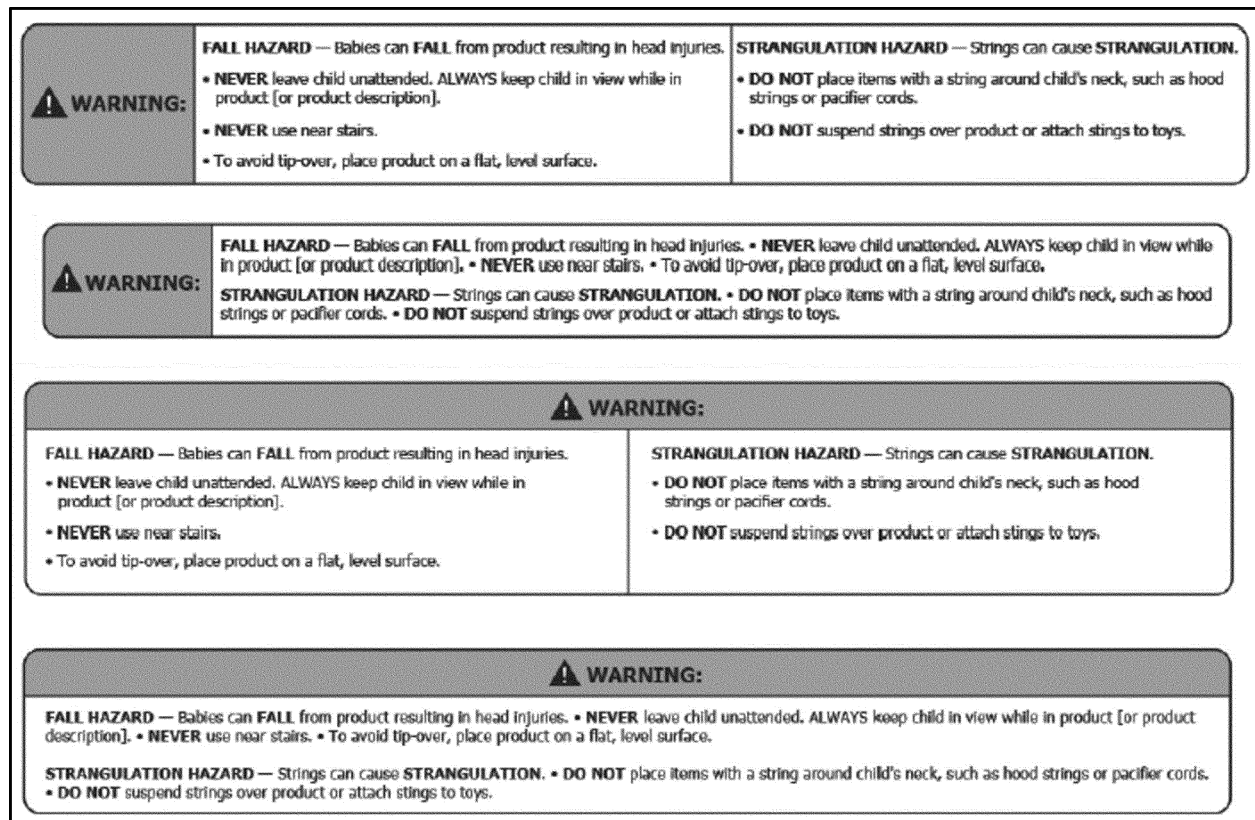


Figure 2. Four Added Example Warnings<sup>4</sup>

#### BILLING CODE 6355-01-C

The content in the four additional example warning labels is the same as content in the initial example warning label. However, the arrangement of the text, the layout of the text relative to the signal word panel, and the overall dimensions of the warnings have been modified. The new example warning labels are wider and shorter than the initial example warning. Variations in the exterior dimensions of these warning labels allow for their placement on a wider range of product components, which provides manufacturers with more flexibility for label placement. The Commission determines that this revision is safety-neutral and does not reduce the safety of stationary activity centers.

The Commission notes that the four additional sample warnings contain two formatting errors, as identified by the anonymous commenter. The safety alert

symbol (exclamation mark in a triangle) in the examples, in Figure 2, should appear as an orange exclamation point rather than a white exclamation point. Section 8.4.4 of ASTM F2012–24 requires that the warnings shall conform to ANSI Z535.4–2011, *American National Standard for Product Safety Signs and Labels*, sections 6.1–6.4, 7.2–7.6.3, and 8.1. Section 7.2.6 of ANSI Z535.4–2011 requires the solid triangle portion to be the same color as the signal word lettering, and the exclamation mark portion to be the same color as the signal word panel background.

Additionally, the base of the triangle in the warning symbols should be aligned with the base of the signal word “WARNING” as required by section 8.4.4 of ASTM F2012–24. Section 6.3 of ANSI Z534.4–2011 specifies that the base of the safety alert symbol must be

on the same horizontal line as the base of the letters of the signal word and the height of the safety alert symbol must be equal or exceed the signal word letter height.

These formatting errors are minor deviations from the applicable voluntary standards that do not impact the effectiveness of the warning labels. Commission staff has requested that ASTM correct these formatting errors in the next revision of ASTM F2012.

#### C. Editorial Changes

ASTM F2012–24 also includes revisions that are primarily editorial changes to language that do not materially change the requirements for stationary activity centers. The changes include correcting typos, adding missing units, and hyphenating certain words. The changes also include rephrased wording to delete unnecessary text to reduce redundancy

<sup>3</sup> Reprinted, with permission, from ASTM F2012–24, *Standard Consumer Safety Performance Specification for Stationary Activity Centers*, copyright ASTM International. A copy of the complete standard may be obtained for downloading from [www.astm.org](http://www.astm.org). The standard

may be viewed at no charge as explained in § 1238.2 of the rule.

<sup>4</sup> Reprinted, with permission, from ASTM F2012–24, *Standard Consumer Safety Performance Specification for Stationary Activity Centers*,

copyright ASTM International. A copy of the complete standard may be obtained for downloading from [www.astm.org](http://www.astm.org). The standard may be viewed at no charge as explained in § 1238.2 of the rule.

and to modify text to clarify the characterization of certain requirements. The Commission determines that these changes are safety-neutral and do not reduce the safety of stationary activity centers.

#### D. Public Comments

The Commission requested public comment on how the revisions to ASTM F2012–24 affect the safety of stationary activity centers and received one anonymous comment. As discussed in Section II.B. in this preamble, the commenter pointed out that newly added example warnings in ASTM F2012–24, shown in Figure 2 of this preamble, fail to comply with the formatting requirements incorporated by section 8.4.4 of the standard in minor respects, which Commission staff has requested that ASTM address in the voluntary standards process.

#### E. Summary of Assessment of ASTM F2012–24

Under CPSIA section 104(b)(4)(B), unless the Commission determines that ASTM's revision to a voluntary standard that is referenced in a mandatory standard "does not improve the safety of the consumer product covered by the standard," the revised voluntary standard becomes the new mandatory standard. The Commission concludes that F2012–24 improves the safety of stationary activity centers.

#### III. Incorporation by Reference

Section 1238.2 of the direct final rule incorporates by reference ASTM F2012–24. The Office of the Federal Register (OFR) has regulations regarding incorporation by reference. 1 CFR part 51. Under these regulations, agencies must discuss, in the preamble to a final rule, ways in which material the agency incorporates by reference is reasonably available to interested parties, and how interested parties can obtain the material. In addition, the preamble to the final rule must summarize the material. 1 CFR 51.5(b).

In accordance with the OFR regulations, Section II. of this preamble summarizes the revised provisions of ASTM F2012–24 that the Commission incorporates by reference into 16 CFR part 1238. The standard is reasonably available to interested parties in several ways. Until the direct final rule takes effect, a read-only copy of ASTM F2012–24 is available for viewing on ASTM's website at: <https://www.astm.org/CPSC.htm>. Once the rule takes effect, a read-only copy of the standard will be available for viewing on the ASTM website at: <https://www.astm.org/READINGLIBRARY/>.

Additionally, interested parties can purchase a copy of ASTM F406–24 from ASTM International, 100 Barr Harbor Drive, P.O. Box C700, West Conshohocken, PA 19428–2959 USA; phone: 610–832–9585; [www.astm.org](http://www.astm.org). Finally, interested parties can schedule an appointment to inspect a copy of the standard at CPSC's Office of the Secretary, U.S. Consumer Product Safety Commission, 4330 East-West Highway, Bethesda, MD 20814, telephone: 301–504–7479; email: [cpsc-os@cpsc.gov](mailto:cpsc-os@cpsc.gov).

#### IV. Testing and Certification

Section 14(a) of the CPSA (15 U.S.C. 2051–2089) requires manufacturers, including importers, of products subject to a consumer product safety rule under the CPSA, or to a similar rule, ban, standard, or regulation under any other act enforced by the Commission, to certify that the products comply with all applicable CPSC requirements. 15 U.S.C. 2063(a). Such certification must be based on a test of each product, or on a reasonable testing program, or, for children's products, on tests of a sufficient number of samples by a third party conformity assessment body accredited by CPSC to test according to the applicable requirements. As noted in Section I.A. of this preamble, standards issued under section 104(b)(1)(B) of the CPSIA are "consumer product safety standards." Thus, they are subject to the testing and certification requirements of section 14 of the CPSA.

Additionally, because stationary activity centers are children's products, a CPSC-accepted third party conformity assessment body must test samples of the products for compliance with 16 CFR part 1238. Products subject to part 1238 also must be compliant with all other applicable CPSC requirements,<sup>5 6</sup> including the lead content requirements in section 101 of the CPSIA,<sup>7</sup> and the phthalates prohibitions in section 108 of the CPSIA<sup>8</sup> and 16 CFR 1307. In accordance with section 14(a)(3)(B)(vi) of the CPSIA, the Commission previously published a notice of requirements (NOR) for accreditation of third party conformity assessment bodies (*i.e.*, third party laboratories) for testing stationary activity centers, and codified the requirement at 16 CFR 1112.15(b)(48).

The modifications to assess warning label permanency in ASTM F2012–24 specify the direction and timing to

conduct an existing test. These changes will not require laboratories to obtain additional test equipment or new training. The Commission considers third party labs that are currently CPSC-accepted for 16 CFR part 1238 to have demonstrated competence to test stationary activity centers to the revised ASTM F2012–24, as incorporated into part 1238. Accordingly, the existing accreditations that the Commission has accepted for testing to this standard will cover testing to the revised standard. The existing NOR for the Safety Standard for Stationary Activity Centers will remain in place, and CPSC-accepted third party labs are expected to update the scope of their accreditations to reflect the revised stationary activity center standard in the normal course of renewing their accreditations.

#### V. Direct Final Rule Process

The Commission is issuing this rule as a direct final rule. Although the Administrative Procedure Act (APA; 5 U.S.C. 551–559) generally requires agencies to provide notice of a rule and an opportunity for interested parties to comment on it, section 553 of the APA provides an exception when the agency "for good cause finds" that notice and comment are "impracticable, unnecessary, or contrary to the public interest." *Id.* 553(b)(4)(B).

The purpose of this direct final rule is to update the reference in the CFR so that it reflects the version of the ASTM standard that takes effect by statute. Under the terms of the CPSIA, ASTM F2012–24 takes effect as the new CPSC standard for stationary activity centers even if the Commission does not issue this direct final rule. Thus, the purpose of the direct final rule is to conform the CFR to the updated ASTM F2012 standard to provide an accurate reference to the standard that will be enforced as a mandatory rule. Consequently, public comments would not lead to substantive changes to the standard or to the effect of the revised standard as a consumer product safety rule under section 104(b) of the CPSIA. Under these circumstances, notice and comment are unnecessary.

In Recommendation 2024–6, the Administrative Conference of the United States (ACUS) endorses direct final rulemaking as an appropriate procedure to expedite rules that are unlikely to elicit any significant adverse comments. *See* 89 FR 106406 (Dec. 30, 2024). ACUS recommends that agencies use the direct final rule process when they act under the "unnecessary" prong of the good cause exemption in 5 U.S.C. 553(b)(4)(B). 89 FR 106406, 106409. ACUS also explains that notice and

<sup>5</sup> 15 U.S.C. 2063(a)(5).

<sup>6</sup> 15 U.S.C. 2056a(d).

<sup>7</sup> 15 U.S.C. 1278a.

<sup>8</sup> 15 U.S.C. 2057c.

comment may be “unnecessary” when the agency lacks discretion regarding the substance of the rule. *Id.* at 106408. As noted, this rule updates a reference in the CFR to reflect a change that occurs by statute. Consistent with the ACUS recommendation, the Commission is publishing this rule as a direct final rule, because CPSC does not expect any significant adverse comments.

Unless CPSC receives a significant adverse comment within 30 days of this notification, the rule will become effective on July 5, 2025. In accordance with ACUS’s recommendation, the Commission considers a significant adverse comment to be one where the commenter explains why the rule “would be inappropriate,” including an assertion challenging “the rule’s underlying premise or approach,” or a claim that the rule “would be ineffective or unacceptable without a change.” 89 FR 106409.

If the Commission receives a significant adverse comment, the Commission will withdraw this direct final rule. Depending on the comment and other circumstances, the Commission may then incorporate the adverse comment into a subsequent direct final rule or publish a notice of proposed rulemaking, providing an opportunity for public comment.

#### VI. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA; 5 U.S.C. 601–612) generally requires agencies to review proposed and final rules for their potential economic impact on small entities, including small businesses, and prepare regulatory flexibility analyses. 5 U.S.C. 603–604. The RFA applies to any rule that is subject to notice and comment procedures under section 553 of the APA. 5 U.S.C. 601–612. As discussed in Section V. of this preamble regarding the Direct Final Rule Process, the Commission has determined that notice and the opportunity to comment are unnecessary for this rule. Therefore, the RFA does not apply. The Commission also notes the limited nature of this document, which updates the incorporation by reference to reflect the mandatory CPSC standard that takes effect under section 104 of the CPSIA.

#### VII. Paperwork Reduction Act

The current mandatory standard for stationary activity centers includes labeling requirements that constitute a “collection of information,” as defined in the Paperwork Reduction Act (PRA; 44 U.S.C. 3501–3521). The revised mandatory standard for stationary activity centers does not alter these

requirements. The Commission took the steps required by the PRA for information collections when it adopted 16 CFR part 1238, including obtaining approval and a control number. Because the information collection is unchanged, the revision does not affect the information collection requirements or approval related to the standard.

#### VIII. Environmental Considerations

The Commission’s regulations provide for a categorical exclusion from any requirement to prepare an environmental assessment or an environmental impact statement where they “have little or no potential for affecting the human environment.” 16 CFR 1021.5(c)(2). This rule falls within the categorical exclusion, so no environmental assessment or environmental impact statement is required.

#### IX. Preemption

Section 26(a) of the CPSA provides that where a consumer product safety standard is in effect and applies to a product, no state or political subdivision of a state may either establish or continue in effect a requirement dealing with the same risk of injury unless the state requirement is identical to the Federal standard. 15 U.S.C. 2075(a). Section 26(c) of the CPSA also provides that states or political subdivisions of states may apply to CPSC for an exemption from this preemption under certain circumstances. Section 104(b) of the CPSIA deems rules issued under that provision “consumer product safety standards.” Therefore, once a rule issued under section 104 of the CPSIA takes effect, it will preempt in accordance with section 26(a) of the CPSA.

#### X. Effective Date

Under the procedure set forth in section 104(b)(4)(B) of the CPSIA, when a voluntary standards organization revises a standard that the Commission adopted as a mandatory standard, the revision becomes the CPSC standard 180 days after notification to the Commission, unless the Commission determines that the revision does not improve the safety of the product, or the Commission sets a later date in the **Federal Register**. 15 U.S.C. 2056a(b)(4)(B). The Commission is taking neither of those actions with respect to the revised standard for stationary activity centers. Therefore, ASTM F2012–24 automatically will take effect as the new mandatory standard for stationary activity centers on July 5, 2025, 180 days after the Commission

received notice of the revision. As a direct final rule, unless the Commission receives a significant adverse comment within 30 days of this notice, the rule will become effective on July 5, 2025.

#### XI. Congressional Review Act

The Congressional Review Act (CRA; 5 U.S.C. 801–808) states that before a rule may take effect, the agency issuing the rule must submit the rule, and certain related information, to each House of Congress and the Comptroller General. 5 U.S.C. 801(a)(1). The CRA submission must indicate whether the rule is a “major rule.” The CRA states that the Office of Information and Regulatory Affairs (OIRA) determines whether a rule qualifies as a “major rule.”

Pursuant to the CRA, OIRA has determined that this rule does not qualify as a “major rule,” as defined in 5 U.S.C. 804(2). To comply with the CRA, CPSC will submit the required information to each House of Congress and the Comptroller General.

#### List of Subjects in 16 CFR Part 1238

Consumer protection, Imports, Incorporation by reference, Infants and children, Labeling, Law enforcement, Safety, and Toys.

For the reasons discussed in the preamble, the Commission amends 16 CFR chapter II as follows:

#### PART 1238—SAFETY STANDARD FOR STATIONARY ACTIVITY CENTERS

■ 1. The authority citation for part 1238 continues to read as follows:

**Authority:** 15 U.S.C. 2056a.

■ 2. Revise § 1238.2 to read as follows:

#### § 1238.2 Requirements for stationary activity centers.

Each stationary activity center shall comply with all applicable provisions of ASTM F2012–24, *Standard Consumer Safety Performance Specification for Stationary Activity Centers*, approved on November 1, 2024. The Director of the Federal Register approves this incorporation by reference in accordance with 5 U.S.C. 552(a) and 16 CFR part 51. This material is available for inspection at the U.S. Consumer Product Safety Commission (CPSC) and at the National Archives and Records Administration (NARA). Contact the U.S. Consumer Product Safety Commission at: Office of the Secretary, U.S. Consumer Product Safety Commission, 4330 East-West Highway, Bethesda, MD 20814, telephone (301) 504–7479, email: [cpsc-os@cpsc.gov](mailto:cpsc-os@cpsc.gov). For

information on the availability of this material at NARA, email [fr.inspection@nara.gov](mailto:fr.inspection@nara.gov), or go to: [www.archives.gov/federal-register/cfr/ibr-locations.html](http://www.archives.gov/federal-register/cfr/ibr-locations.html). A free, read-only copy of the standard is available for viewing on the ASTM website at <https://www.astm.org/READINGLIBRARY/>. You may also obtain a copy from ASTM International, 100 Barr Harbor Drive, P.O. Box C700, West Conshohocken, PA 19428-2959; phone: (610) 832-9585; [www.astm.org](http://www.astm.org).

**Alberta E. Mills,**

Secretary, Consumer Product Safety Commission.

[FR Doc. 2025-05239 Filed 3-26-25; 8:45 am]

BILLING CODE 6355-01-P

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 180

[EPA-HQ-OPP-2023-0503; FRL-12664-01-OCSPP]

#### ***Pseudomonas Oryzihabitans* Strain SYM23945; Exemption From the Requirement of a Tolerance**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Final rule.

**SUMMARY:** This regulation establishes an exemption from the requirement of a tolerance for residues of *Pseudomonas oryzihabitans* strain SYM23945 in or on all food commodities when used in accordance with label directions and good agricultural practices. Indigo Ag, Inc. submitted a petition to the EPA under the Federal Food, Drug, and Cosmetic Act (FFDCA), requesting an exemption from the requirement of a tolerance. This regulation eliminates the need to establish a maximum permissible level for residues of *Pseudomonas oryzihabitans* strain SYM23945 under FFDCA when used in accordance with this exemption.

**DATES:** This regulation is effective March 27, 2025. Objections and requests for hearings must be received on or before May 27, 2025 and must be filed in accordance with the instructions provided in 40 CFR part 178 (see also Unit I.C. of the **SUPPLEMENTARY INFORMATION**).

**ADDRESSES:** The docket for this action, identified by docket identification (ID) number EPA-HQ-OPP-2023-0503, is available at <https://www.regulations.gov>. Additional information about dockets generally, along with instructions for visiting the

docket in-person, is available at <https://www.epa.gov/dockets>.

#### **FOR FURTHER INFORMATION CONTACT:**

Madison H. Le, Biopesticides and Pollution Prevention Division (7511M), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460-0001; main telephone number: (202) 566-1400; email address: [BPPDFRNotices@epa.gov](mailto:BPPDFRNotices@epa.gov).

#### **SUPPLEMENTARY INFORMATION:**

##### **I. General Information**

##### *A. Does this action apply to me?*

You may be potentially affected by this action if you are an agricultural producer, food manufacturer, or pesticide manufacturer. The following list of North American Industrial Classification System (NAICS) codes is not intended to be exhaustive, but rather provides a guide to help readers determine whether this document applies to them. Potentially affected entities may include:

- Crop production (NAICS code 111).
- Animal production (NAICS code 112).
- Food manufacturing (NAICS code 311).
- Pesticide manufacturing (NAICS code 32532).

If you have any questions regarding the applicability of this action to a particular entity, consult the person listed under **FOR FURTHER INFORMATION CONTACT**.

##### *B. What is EPA's authority for taking this action?*

EPA is issuing this rulemaking under section 408 of the Federal Food, Drug, and Cosmetic Act (FFDCA), 21 U.S.C. 346a. FFDCA section 408(c)(2)(A)(i) allows EPA to establish an exemption from the requirement for a tolerance (the legal limit for a pesticide chemical residue in or on a food) only if EPA determines that the exemption is "safe." FFDCA section 408(c)(2)(A)(ii) defines "safe" to mean that "there is a reasonable certainty that no harm will result from aggregate exposure to the pesticide chemical residue, including all anticipated dietary exposures and all other exposures for which there is reliable information." This includes exposure through drinking water and in residential settings but does not include occupational exposure. Pursuant to FFDCA section 408(c)(2)(B), in establishing or maintaining in effect an exemption from the requirement of a tolerance, EPA must take into account the factors set forth in FFDCA section 408(b)(2)(C), which require EPA to give special consideration to exposure of

infants and children to the pesticide chemical residue in establishing a tolerance and to "ensure that there is a reasonable certainty that no harm will result to infants and children from aggregate exposure to the pesticide chemical residue." Additionally, FFDCA section 408(b)(2)(D) requires that the Agency consider, among other things, "available information concerning the cumulative effects of a particular pesticide's residues" and "other substances that have a common mechanism of toxicity."

##### *C. How can I file an objection or hearing request?*

Under FFDCA section 408(g), 21 U.S.C. 346a(g), any person may file an objection to any aspect of this regulation and may also request a hearing on those objections. If you fail to file an objection to the final rule within the time period specified in the final rule, you will have waived the right to raise any issues resolved in the final rule. You must file your objection or request a hearing on this regulation in accordance with the instructions provided in 40 CFR part 178. To ensure proper receipt by the EPA, you must identify docket ID number EPA-HQ-OPP-2023-0503 in the subject line on the first page of your submission. All objections and requests for a hearing must be in writing and must be received by the Hearing Clerk on or before May 27, 2025.

EPA's Office of Administrative Law Judges (OALJ), in which the Hearing Clerk is housed, urges parties to file and serve documents by electronic means only, notwithstanding any other particular requirements set forth in other procedural rules governing those proceedings. See "Revised Order Urging Electronic Filing and Service," dated June 22, 2023, which can be found at <https://www.epa.gov/system/files/documents/2023-06/2023-06-22%20-%20revised%20order%20urging%20electronic%20filing%20and%20service.pdf>. Although EPA's regulations require submission via U.S. Mail or hand delivery, EPA intends to treat submissions filed via electronic means as properly filed submissions; therefore, EPA believes the preference for submission via electronic means will not be prejudicial. When submitting documents to the OALJ electronically, a person should utilize the OALJ e-filing system at [https://yosemite.epa.gov/OA/EAB/EAB-ALJ\\_upload.nsf](https://yosemite.epa.gov/OA/EAB/EAB-ALJ_upload.nsf).

In addition to filing an objection or hearing request with the Hearing Clerk as described in 40 CFR part 178, please submit a copy of the filing (excluding any Confidential Business Information (CBI)) for inclusion in the public docket

at <https://www.regulations.gov>. Follow the online instructions for submitting comments. Do not submit electronically any information you consider to be CBI or other information whose disclosure is restricted by statute. If you wish to include CBI in your request, please follow the applicable instructions at <https://www.epa.gov/dockets/commenting-epa-dockets#rules> and clearly mark the information that you claim to be CBI. Information not marked confidential pursuant to 40 CFR part 2 may be disclosed publicly by EPA without prior notice.

## II. Petitioned-for Exemption

In the **Federal Register** of February 9, 2024 (89 FR 9103) (FRL-10579-12-OCSP), EPA issued a notice pursuant to FFDCA section 408(d)(3), 21 U.S.C. 346a(d)(3), announcing the filing of a pesticide tolerance exemption petition (PP 2F9043) by Indigo Ag, Inc., 500 Rutherford Ave., Charlestown, MA 02129. The petition requested that 40 CFR part 180 be amended by establishing an exemption from the requirement of a tolerance for residues of the nematicide *Pseudomonas oryzihabitans* strain SYM23945 in or on all food commodities. That notice referenced a summary of the petition prepared by the petitioner Indigo Ag, Inc. and is available in the docket. EPA received two comments in response to the notice of filing. EPA's response to these comments is discussed in Unit III.C.

EPA has omitted the term "nematicide" from the exemption established in this action. The reason for this change is explained in Unit III.D.

## III. Final Tolerance Actions

### A. EPA's Safety Determination

EPA evaluated the available toxicological and exposure data on *Pseudomonas oryzihabitans* strain SYM23945 and considered their validity, completeness, and reliability, as well as the relationship of this information to human risk. A full explanation of the data upon which the EPA relied and its risk assessment based on those data can be found within the document entitled "Human Health Risk Assessment of *Pseudomonas oryzihabitans* strain SYM23945, a New Active Ingredient in *Pseudomonas oryzihabitans* strain SYM23945 Technical, *Pseudomonas oryzihabitans* strain SYM23945 MUP, and Indigo 407 FP Proposed for Registration and an Associated Petition Requesting a Tolerance Exemption" (Human Health Risk Assessment). This document, as well as other relevant information, is

available in the docket for this action as described under **ADDRESSES**.

The toxicological profile of *Pseudomonas oryzihabitans* strain SYM23945 is described in the *Pseudomonas oryzihabitans* strain SYM23945 Human Health Risk Assessment. Based upon its evaluation, EPA concludes that with regards to humans, *Pseudomonas oryzihabitans* strain SYM23945 is not toxic, pathogenic, or infective via the oral, pulmonary, or injection routes of exposure. Additionally, a pattern of clearance was demonstrated from the test animals indicating a lack of pathogenicity or infectivity of *Pseudomonas oryzihabitans* strain SYM2394. Significant dietary and non-occupational exposures to residues of *Pseudomonas oryzihabitans* strain SYM23945 are not expected as the pesticide will be applied as a seed treatment only, reducing the likelihood of pesticide residues on food crops or of off-site, airborne or runoff movement of this active ingredient. However, if this active ingredient were to enter the environment, it would likely be present at levels below those of naturally occurring *Pseudomonas oryzihabitans* due to relatively low application rates and use patterns. Further, because food crops undergo postharvest washing, it is unlikely that significant residues of *Pseudomonas oryzihabitans* strain SYM23945 would remain on treated crops. Municipal water treatment practices are also likely to eliminate any residues in drinking water. Even if dietary and non-occupational exposures to residues of *Pseudomonas oryzihabitans* strain SYM23945 were to occur, there are no risks of concern due to the lack of adverse effects from toxicity, pathogenicity, or infectivity of *Pseudomonas oryzihabitans* strain SYM23945. Because there are no threshold levels of concern with the toxicity, pathogenicity, or infectivity of *Pseudomonas oryzihabitans* strain SYM23945, EPA determined that no additional margin of safety is necessary to protect infants and children as part of the qualitative assessment conducted.

Based upon its evaluation in the Human Health Risk Assessment, which concludes that there are no risks of concern from aggregate exposure to *Pseudomonas oryzihabitans* strain SYM23945, the EPA concludes that there is a reasonable certainty that no harm will result to the U.S. population, including infants and children, from aggregate exposure to residues of *Pseudomonas oryzihabitans* strain SYM23945.

### B. Analytical Enforcement Methodology

An analytical method is not required for *Pseudomonas oryzihabitans* strain SYM23945 because EPA is establishing an exemption from the requirement of a tolerance without any numerical limitation.

### C. Response to Comments

The Agency received two identical comments that expressed concern with *Pseudomonas oryzihabitans* being a pathogenic bacterium causing sickness, cancer, and being overall harmful to humans. The Agency's literature review showed that rare cases of human infection have been documented with *Pseudomonas oryzihabitans* in immunocompromised individuals and/or individuals that have experienced injury or recent medical procedure. No instances of human infection have been documented for *Pseudomonas oryzihabitans* strain SYM23945. Additionally, EPA concluded that *Pseudomonas oryzihabitans* strain SYM23945 is not toxic, pathogenic, and/or infective to mammals. The Agency has evaluated the aggregate risk of *Pseudomonas oryzihabitans* strain SYM23945 and has determined that there is a reasonable certainty that no harm will result to the general population, or to infants and children from aggregate exposure to residues of *Pseudomonas oryzihabitans* strain SYM23945. The Agency is aware of no evidence indicating that *Pseudomonas oryzihabitans* strain SYM23945 is carcinogenic. The comments offered no relevant information that would warrant a reconsideration of the Agency's determination.

### D. Revisions to the Requested Tolerance Exemption

The petition requested an exemption from the requirement of a tolerance for residues of the nematicide *Pseudomonas oryzihabitans* strain SYM23945 in or on all food commodities. The Agency has omitted the term "nematicide" from the exemption established in this action to reduce any unnecessary restrictions therein.

### E. Conclusion

Therefore, an exemption from the requirement of a tolerance is established for residues of *Pseudomonas oryzihabitans* strain SYM23945 in or on all food commodities when used in accordance with label directions and good agricultural practices.

#### IV. Statutory and Executive Order Reviews

Additional information about these statutes and Executive Orders can be found at <https://www.epa.gov/laws-regulations/laws-and-executive-orders>.

##### A. Executive Order 12866: Regulatory Planning and Review

This action is exempt from review under Executive Order 12866 (58 FR 51735, October 4, 1993), because it establishes or modifies a pesticide tolerance or a tolerance exemption under FFDCA section 408 in response to a petition submitted to the Agency. The Office of Management and Budget (OMB) has exempted these types of actions from review under Executive Order 12866.

##### B. Paperwork Reduction Act (PRA)

This action does not impose an information collection burden under the PRA, 44 U.S.C. 3501 *et seq.*, because it does not contain any information collection activities.

##### C. Regulatory Flexibility Act (RFA)

This action is not subject to the RFA, 5 U.S.C. 601 *et seq.* The RFA applies only to rules subject to notice and comment rulemaking requirements under the Administrative Procedure Act (APA), 5 U.S.C. 553, or any other statute. This rule is not subject to the APA but is subject to FFDCA section 408(d), which does not require notice and comment rulemaking to take this action in response to a petition.

##### D. Unfunded Mandates Reform Act (UMRA)

This action does not contain an unfunded mandate of \$100 million or more (in 1995 dollars and adjusted annually for inflation) as described in UMRA, 2 U.S.C. 1531–1538, and does not significantly or uniquely affect small governments. The action imposes no enforceable duty on any state, local or tribal governments or the private sector.

##### E. Executive Order 13132: Federalism

This action does not have federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999), because it will not have substantial direct effects on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government.

##### F. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments

This action does not have tribal implications as specified in Executive Order 13175 (65 FR 67249, November 9, 2000), because it will not have substantial direct effects on tribal governments, on the relationship between the Federal government and the Indian tribes, or on the distribution of power and responsibilities between the Federal government and Indian tribes.

##### G. Executive Order 13045: Protection of Children From Environmental Health Risks and Safety Risks

This action is not subject to Executive Order 13045 (62 FR 19885, April 23, 1997) because it is not a significant regulatory action under section 3(f)(1) of Executive Order 12866 (See Unit IV.A.), and because EPA does not believe the environmental health or safety risks addressed by this action present a disproportionate risk to children. However, EPA's 2021 Policy on Children's Health applies to this action. This rule finalizes an exemption from the requirement of a tolerance under the FFDCA, which requires EPA to give special consideration to exposure of infants and children to the pesticide chemical residue in establishing a tolerance and to "ensure that there is a reasonable certainty that no harm will result to infants and children from aggregate exposure to the pesticide chemical residue . . ." (FFDCA 408(b)(2)(C)). The Agency's consideration is documented in Unit III.A.

##### H. Executive Order 13211: Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution or Use

This action is not subject to Executive Order 13211 (66 FR 28355) (May 22, 2001) because it is not a significant regulatory action under Executive Order 12866.

##### I. National Technology Transfer Advancement Act (NTTAA)

This action does not involve technical standards that would require Agency consideration under NTTAA section 12(d), 15 U.S.C. 272.

##### J. Congressional Review Act (CRA)

This action is subject to the CRA, 5 U.S.C. 801 *et seq.*, and EPA will submit a rule report to each House of the Congress and to the Comptroller General of the United States. This action not a "major rule" as defined by 5 U.S.C. 804(2).

#### List of Subjects in 40 CFR Part 180

Environmental protection, Administrative practice and procedure, Agricultural commodities, Pesticides and pests, Reporting and recordkeeping requirements.

Dated: March 19, 2025.

**Edward Messina,**

*Director, Office of Pesticide Programs.*

Therefore, for the reasons stated in the preamble, the EPA is amending 40 CFR chapter I as follows:

#### PART 180—TOLERANCES AND EXEMPTIONS FOR PESTICIDE CHEMICAL RESIDUES IN FOOD

■ 1. The authority citation for part 180 continues to read as follows:

**Authority:** 21 U.S.C. 321(q), 346a and 371.

■ 2. Add § 180.1416 to subpart D to read as follows:

##### § 180.1416 *Pseudomonas oryzae* strain SYM23945; exemption from the requirement of a tolerance.

An exemption from the requirement of a tolerance is established for residues of *Pseudomonas oryzae* strain SYM23945 in or on all food commodities when used in accordance with label directions and good agricultural practices.

[FR Doc. 2025–05173 Filed 3–26–25; 8:45 am]

**BILLING CODE 6560–50–P**

#### DEPARTMENT OF COMMERCE

##### National Oceanic and Atmospheric Administration

##### 50 CFR Part 660

[Docket No. 240514–0137; RTID 0648–XE743]

##### Fisheries Off West Coast States; Modification of the West Coast Salmon Fisheries; Inseason Actions #17 Through #18

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Inseason modification of 2024–2025 management measures.

**SUMMARY:** NMFS announces two inseason actions for the 2024 portion of the 2024–2025 ocean salmon fisheries. These inseason actions modify the recreational and commercial salmon fisheries in the area from Cape Falcon, OR, to the United States/Mexico border.

**DATES:** The effective dates for these inseason actions are set out in this

document under the heading “Inseason Actions” and the actions remain in effect until superseded or modified.

**FOR FURTHER INFORMATION CONTACT:**

Anna Heeter, (971) 361-8895, [Anna.Heeter@noaa.gov](mailto:Anna.Heeter@noaa.gov).

**SUPPLEMENTARY INFORMATION:**

**Background**

The annual management measures for the 2024–2025 ocean salmon fisheries (89 FR 44553, May 21, 2024; 89 FR 53529, June 27, 2024) govern the commercial and recreational fisheries in the area from the United States/Canada border to the United States/Mexico border, effective from 0001 hours Pacific Daylight Time (PDT), May 16, 2024, until the effective date of the 2024–2025 management measures, as published in the **Federal Register**. These measures include early season fisheries in March through mid-May of 2025 that may be adjusted through inseason action when abundance forecasts for 2025 salmon returns become available. NMFS is authorized to implement inseason management actions to modify fishing seasons, catch limits, and quotas as necessary to provide fishing opportunities while meeting management objectives for the affected species (50 CFR 660.409). Inseason actions in the salmon fishery may be taken directly by NMFS (50 CFR 660.409(a)—Fixed inseason management provisions) or upon consultation with the Chairman of the Pacific Fishery Management Council (Council), and the appropriate State Directors (50 CFR 660.409(b)—Flexible inseason management provisions).

Management of the salmon fisheries is divided into two geographic areas: north of Cape Falcon (United States/Canada border to Cape Falcon, OR) and south of Cape Falcon (SOF) (Cape Falcon, OR, to the United States/Mexico border). The actions described in this document affect the SOF commercial and recreational fisheries, as set out under the heading Inseason Actions below.

Consultation with the Council Chairman and representatives for the appropriate State Directors on these inseason actions occurred on March 10, 2025. These consultations included representatives from NMFS, Oregon Department of Fish and Wildlife, and California Department of Fish and Wildlife. Representatives from the Salmon Advisory Subpanel and the Salmon Technical Team (STT) were also present.

These inseason actions were announced on NMFS’ telephone hotline and U.S. Coast Guard radio broadcast on the date of the consultations (50 CFR 660.411(a)(2)).

**Inseason Actions**

*Reason and Authorization for Inseason Action #17–18*

At its March 4–11, 2025 meeting, the STT presented stock abundance forecasts for 2025 for salmon stocks managed under the Pacific Coast Salmon Fishery Management Plan (FMP). Based on the STT’s report, SOF ocean salmon fisheries will be constrained in 2025 by the very low abundance forecasts for Klamath River fall-run Chinook (KRFC) salmon and Sacramento River fall-run Chinook (SRFC) salmon. KRFC salmon were determined by NMFS to be overfished under the Magnuson-Stevens Fishery Conservation and Management Act (MSA) in 2018 and continue to meet the criteria for overfished status. In 2021, NMFS determined that SRFC, which were previously determined to be overfished, had achieved rebuilt status (87 FR 25429) due to several years of higher escapements. However, the Sacramento River has been experiencing low flows and high temperatures in recent years associated with decades of frequent droughts; these conditions have adversely affected the stock. The preliminary 2025 Sacramento Index (SI) forecast is 165,655. Application of this forecast to the SRFC harvest control rule results in a maximum allowable exploitation rate of 26.4 percent (just above the de minimus level of 25 percent) and a minimum hatchery and natural area escapement of 122,000 adults. This fishery would need to be severely constrained in order to meet this lower escapement goal of 122,000 adults. Due to these circumstances and the SI forecast being one of the lowest since the 1970s, caution is warranted to reduce the chances that the stock becomes overfished again. KRFC Chinook salmon expected abundance is low enough that the stock will be managed under the de minimus provisions of the harvest control rule in the FMP. In addition, the abundance of these stocks has been substantially overforecast in recent years, and escapement has been much lower than anticipated preseason. To reduce the impacts on KRFC salmon and SRFC salmon, given the low forecasts, NMFS took inseason action on March 10, 2025, concurrent with the March Council meeting to restrict some fisheries that were previously scheduled to open prior to May 16, 2024.

The NMFS West Coast Regional Administrator (RA) considered the abundance forecasts for Chinook salmon stocks and the projected impacts in the ocean salmon fisheries, as modeled by the STT, and determined that the

inseason actions described below are necessary to meet management and conservation goals set preseason. These inseason actions modify landing and possession limits, quotas and/or fishing seasons under 50 CFR 660.409(b)(1)(i).

*Inseason Action #17*

*Description of the action:* Inseason action #17 modifies the ocean salmon recreational fishery and the ocean salmon troll commercial fishery from the Oregon/California border to the U.S./Mexico border. These fisheries are closed through May 15, 2025, or until superseded.

*Effective dates:* Inseason action #17 takes effect for the following areas and dates, and remains in effect until superseded.

- Effective May 1, 2025, at 12:01 a.m., for the ocean salmon troll commercial fishery from the Oregon/California border to Humboldt South Jetty (California Klamath Management Zone).
- Effective April 16, 2025, at 12:01 a.m., for the ocean salmon troll commercial fishery from lat. 40°10′ N to Point Arena, CA (Fort Bragg management area).
- Effective May 1, 2025, at 12:01 a.m., for the ocean salmon troll commercial fishery from Point Arena, CA, to Pigeon Point, CA (San Francisco management area).
- Effective May 1, 2025, at 12:01 a.m., for the ocean salmon troll commercial fishery from Pigeon Point, CA, to the U.S./Mexico border (Monterey management area).
- Effective April 5, 2025, at 12:01 a.m., for the ocean salmon recreational fishery from the Oregon/California border to latitude 40°10′ N (California Klamath Management Zone).
- Effective April 5, 2025, at 12:01 a.m., for the ocean salmon recreational fishery from latitude 40°10′ N and Point Arena, CA (Fort Bragg management area).
- Effective April 5, 2025, at 12:01 a.m., for the ocean salmon recreational fishery from Point Arena, CA, to Pigeon Point, CA (San Francisco Management Area).
- Effective April 5, 2025, at 12:01 a.m., for the ocean salmon recreation fishery from Pigeon Point, CA, to the U.S./Mexico border (Monterey Management Area).

*Inseason Action #18*

*Description of the action:* Inseason action #18 modifies the SOF commercial salmon troll fishery. In the area between Cape Falcon, OR, and the Oregon/California border. These fisheries are closed for some of the dates

they were originally scheduled to be open, as described below.

**Effective dates:** Inseason action #18 takes effect for the following areas and dates, and remains in effect until superseded.

- Effective March 15, 2025, at 12:01 a.m., for the commercial salmon troll fishery in the area between Cape Falcon, OR, and Humbug Mountain, OR, through April 9, 2025, at 11:59 p.m.
- Effective March 15, 2025, at 12:01 a.m., for the commercial salmon troll fishery in the area between Humbug Mountain and the Oregon/California border through April 14, 2025, at 11:59 p.m.

All other restrictions and regulations remain in effect as announced for the 2024–2025 ocean salmon fisheries (89 FR 44553, May 21, 2024; 89 FR 53529, June 27, 2024; 89 FR 61355, July 31, 2024; 89 FR 104895, December 26, 2024) except as previously modified by inseason actions.

The states and Tribes manage the fisheries in state waters adjacent to the areas of the U.S. exclusive economic zone (3–200 nautical miles; 5.6–370.4 kilometers) off the coasts of the States of Washington, Oregon, and California consistent with these Federal actions. As provided by the inseason notice procedures at 50 CFR 660.411, actual notice of the described regulatory actions was given, prior to the time the actions became effective, by telephone hotline numbers 206–526–6667 and 800–662–9825, and by U.S. Coast Guard Notice to Mariners broadcasts on Channel 16 VHF–FM and 2182 kHz.

#### Classification

NMFS issues these actions pursuant to section 305(d) of the MSA. These actions are authorized by 50 CFR 660.409, which was issued pursuant to section 304(b) of the MSA, and are exempt from review under Executive Order 12866.

Pursuant to 5 U.S.C. 553(b)(3)(B), there is good cause to waive prior notice and an opportunity for public comment on this action, as notice and comment would be impracticable and contrary to the public interest. Prior notice and opportunity for public comment on this action was impracticable because NMFS had insufficient time to provide for prior notice and the opportunity for public comment between the time Chinook and coho salmon abundance, catch, and effort information were developed and fisheries impacts were calculated, and the time the fishery modifications had to be implemented in order to ensure that fisheries are managed based on the best scientific information available. As previously

noted, actual notice of the regulatory action was provided to fishers through telephone hotlines and radio notifications. These actions comply with the requirements of the annual management measures for ocean salmon fisheries (89 FR 44553, May 21, 2024; 89 FR 53529, June 27, 2024), the FMP, and regulations implementing the FMP under 50 CFR 660.409 and 660.411.

There is good cause under 5 U.S.C. 553(d)(3) to waive the 30-day delay in effective date, as a delay in effectiveness of this action would allow fishing at levels inconsistent with the goals of the FMP and the current management measures.

**Authority:** 16 U.S.C. 1801 *et seq.*

Dated: March 24, 2025.

**Karen H. Abrams,**

*Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.*

[FR Doc. 2025–05259 Filed 3–26–25; 8:45 am]

**BILLING CODE 3510–22–P**

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

#### 50 CFR Part 679

[Docket No. 250321–0045]

RIN 0648–BM77

#### Fisheries of the Exclusive Economic Zone; Authorizing Hook-and-Line Catcher/Processors To Use Longline Pot Gear in the Bering Sea Greenland Turbot Fishery

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Final rule.

**SUMMARY:** NMFS issues regulations authorizing hook-and-line catcher/processors (C/Ps) to use longline pot gear when directed fishing for Greenland turbot in the Bering Sea (BS) subarea of the Bering Sea and Aleutian Islands (BSAI). This action is necessary to improve efficiency, provide economic benefits for the hook-and-line C/P sector, and minimize potential fishery interactions with killer whales. This action promotes the goals and objectives of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), the Fishery Management Plan (FMP) for Groundfish of the Bering Sea and Aleutian Islands Management Area (BSAI FMP), and other applicable laws.

**DATES:** Effective on April 28, 2025.

**ADDRESSES:** Electronic copies of the Environmental Assessment and Regulatory Impact Review (RIR) (collectively “the Analysis”) and Finding of No Significant Impact (FONSI) prepared for this action are available on <https://www.regulations.gov> or from the NMFS Alaska Region website at <https://www.fisheries.noaa.gov/region/alaska>.

Written comments regarding the burden-hour estimates or other aspects of the collection-of-information requirements contained in this final rule may be submitted to <https://www.reginfo.gov/public/do/PRAMain>. Find the particular information collection by using the search function and entering either the title of the collection or the Office of Management and Budget OMB Control Number.

#### FOR FURTHER INFORMATION CONTACT:

Andrew Olson, 907–586–7228, [andrew.olson@noaa.gov](mailto:andrew.olson@noaa.gov).

**SUPPLEMENTARY INFORMATION:** This final rule implements regulations authorizing hook-and-line C/Ps to use longline pot gear when directed fishing for Greenland turbot (*Reinhardtius hippoglossoides*) in the BS subarea of the BSAI. NMFS published a proposed rule in the **Federal Register** on October 23, 2024 (89 FR 84514) with comments invited through November 22, 2024. All comments submitted on or before November 22, 2024, were considered in the development of this final rule, and a technical change has been made from the proposed rule in this final rule. A summary of the comments and NMFS’s responses are provided under the heading “Comments and Responses” below.

The North Pacific Fishery Management Council (Council) and NMFS manage Greenland turbot as a groundfish species under the BSAI FMP. Section 3.4 of BSAI FMP identifies authorized gear types for groundfish fisheries as the following: trawls, hook-and-line, pots, jigs, and other gear as defined in regulations. This section also states that further restrictions on gear that are necessary for conservation and management of fishery resources and which are consistent with the goals and objectives of the FMP are found at 50 CFR part 679.

#### Background

This final rule is intended to increase operational flexibility for hook-and-line C/Ps participating in the directed fishery for Greenland turbot in the BS subarea by authorizing the use of longline pot gear to mitigate the impacts of whale depredation, which should

allow the fishery to resume. At its April 2023 meeting, the Council took final action recommending that NMFS authorize the use of longline pot gear and remove the 9 inch (22.86 cm) pot gear tunnel opening restriction for hook-and-line C/P vessels participating in the directed fishery for Greenland turbot in the BS subarea. The following background sections describe the following: (1) the Greenland turbot directed fishery, (2) authorized gear, (3) whale depredation, and (4) longline pot gear groundfish maximum retainable amounts (MRAs). A more detailed description of the need for this rule and background information on the directed fishery for Greenland turbot in the BS subarea is included in the preamble to the proposed rule (October 23, 2024, 89 FR 84514) and section 3 of the Analysis (see **ADDRESSES** section).

#### *Greenland Turbot Directed Fishery*

The directed fishery for Greenland turbot is managed under the BSAI FMP and is divided into two fishing subareas, the BS and the Aleutian Islands Subarea (AI). Vessels are authorized to fish for Greenland turbot in both subareas from May 1 through December 31, unless NMFS closes the fishery to prevent exceeding the total allowable catch (TAC) prior to the season end date.

The directed fishery for Greenland turbot is prosecuted by the trawl and nontrawl sectors and is mainly concentrated in the BS subarea. Vessels participating in the directed fishery for Greenland turbot in the BS subarea are required to have a groundfish license limitation program (LLP) license with the necessary gear and area endorsements (*i.e.*, nontrawl, trawl, or both gear types and BS subarea) as specified in § 679.4(k)(1)(i).

The majority of participants in the nontrawl sector directed fishery for Greenland turbot are hook-and-line C/P vessels. Hook-and-line C/Ps primarily target Pacific cod (*Gadus macrocephalus*) in the BSAI, and may also participate in the Greenland turbot and sablefish (*Anoplopoma fimbria*) directed fisheries and other groundfish fisheries in the Gulf of Alaska (GOA). Hook-and-line C/P vessels, as defined in the regulations at § 679.2, are vessels named on LLP licenses that are noninterim and transferable, or that are interim and subsequently become noninterim and transferable, and that are endorsed for BS subarea or AI subarea C/P fishing activity, C/P Pacific cod, and hook-and-line gear. Most hook-and-line C/P vessels that participate in the directed fishery for Greenland turbot in the BS subarea are members of the Freezer Longline Conservation

Cooperative (FLCC). The FLCC is a voluntary cooperative represented by the Freezer Longline Coalition that comprises 36 LLP license holders endorsed for BS or AI subarea hook-and-line C/P fishing for Pacific cod. Since 2010, less than 10 FLCC vessels have participated in the directed fishery for Greenland turbot in the BS subarea.

#### *Authorized Gear*

Authorized gear in the nontrawl sector in the directed fishery for Greenland turbot in the BS subarea is limited to longline and pot-and-line gear (*e.g.*, single pot), with longline gear encompassing only hook-and-line gear. Pot-and-line gear, although authorized in the directed fishery for Greenland turbot in the BS subarea, has not been used due to the inefficiency of setting a single pot at the depths and locations where the fishery occurs. Compared to pot-and-line gear, longline pot gear can have improved operational and harvesting efficiency and also has reduced potential for lost gear. However, under existing regulations, longline pot gear use is limited by area and fishery under regulations at § 679.24(b)(1) and is not authorized for use in the directed fishery for Greenland turbot in the BS subarea.

Logbook reporting requirements for vessel operators when deploying longline pot gear in the GOA (but not the BSAI) are required to record the length of the longline pot set, size of pots used, the spacing between pots on a set, and the quantity of pots deployed and lost when using longline pot gear (§ 679.5(c)(3)(v)(G)(2)). Regulations at § 679.24(a) require any vessel fishing with hook-and-line, longline pot, and pot-and-line gear to mark all buoys carried on board or used with the vessel's Federal Fisheries Permit (FFP) number or Alaska Department of Fish and Game (ADF&G) vessel registration number. Buoy markings have minimum text width and height specifications and must be of contrasting coloring so markings are clearly visible above the water line. Vessel operators deploying longline pot gear in the GOA (but not the BSAI) are also required to have an additional hard buoy ball in the buoy cluster attached and marked with the initials "LP" for "Longline Pot" in order to distinguish buoys for longline pot gear from other gear types only when fishing for individual fishing quota (IFQ) (§ 679.24(a)(3)).

All pot gear used to fish for groundfish must be equipped with a biodegradable panel to ensure the release of fish if a pot is lost or becomes unretrievable as defined in paragraph (15)(i) of the definition of "Authorized

fishing gear" at § 679.2. Pot gear is also restricted to tunnel openings no larger than 9 inches with an exception for halibut, when fishing for IFQ or Community Development Quota (CDQ) halibut or for IFQ or CDQ sablefish fisheries when halibut retention is required as defined in paragraphs (15)(ii) and (iii) under the definition of "Authorized fishing gear" at § 679.2.

#### *Whale Depredation*

Depredation by killer whales (*Orcinus orca*) has been increasing, preventing hook-and-line C/P vessels from participating in the directed fishery for Greenland turbot in the BS subarea. Killer whale depredation resulted in the decline in participation by hook-and-line C/P vessels in the directed fishery for Greenland turbot in the BS subarea beginning in 2018. This led to the complete absence of fishery participation in 2021, 2022, and 2023, due to operational challenges posed by whale depredation that made fishing uneconomical.

#### *Longline Pot Gear Groundfish MRAs*

An MRA is a management tool that allows some retention of groundfish species closed to directed fishing (incidental catch species) when harvesting groundfish species open to directed fishing (basis species). MRAs limit and slow harvest rates of incidentally caught species and help facilitate the management of harvest of a groundfish species within its annual TAC. Once the TAC for a groundfish species has been reached, retention of that species is prohibited, and any further catch must be discarded.

Gear limitations at § 679.24(b)(1) require any person using longline pot gear to treat any catch of groundfish species as a prohibited species that must be discarded at sea unless there is an explicit exception that allows the use of this gear type in the area being fished. Longline pot gear is allowed in the directed fishery for sablefish in the BS subarea and, in order to retain sablefish, a person must have sablefish IFQ as specified at § 679.7(f)(3)(ii). If a vessel is directed fishing for Greenland turbot, retention of sablefish would be allowed only if the vessel holds unfished sablefish IFQ or CDQ, otherwise sablefish may not be retained.

#### *The Final Rule*

This final rule revises regulations at 50 CFR 679 to: (1) authorize hook-and-line C/P vessels to use longline pot gear for the directed fishery for Greenland turbot in the BS subarea including associated gear marking and record keeping and reporting requirements, (2)

add the directed fishery for Greenland turbot in the BS subarea to the collapsible pot exception, (3) add an exception to the 9 inch (22.86 cm) maximum pot tunnel opening restriction for longline pot gear when participating in the directed fishery for Greenland turbot in the BS subarea; and (4) clarify MRA retention requirements for longline pot gear in this fishery.

#### *Authorize Longline Pot Gear*

This final rule revises several regulations governing authorized gear for hook-and-line C/Ps participating in the directed fishery for Greenland turbot in the BS subarea. First, this final rule expands the use of longline pot gear by allowing its use in the directed fishery for Greenland turbot in the BS subarea for hook-and-line C/Ps vessels operating in the BS subarea at § 679.24(b)(1)(v). Hook-and-line C/P vessels intending to use longline pot gear in the directed fishery for Greenland turbot in the BS subarea must have a pot gear endorsement on their Federal Fisheries Permit (FFP). Under existing regulations at § 679.4(b)(3)(iii), a vessel owner or authorized representative may amend an FFP by submitting an Application for FFP to add a pot gear endorsement. Gear marking requirements at § 679.24(a)(3) and recordkeeping and reporting requirements at § 679.5(c)(3)(v)(G)(2)(i) and (ii) are revised to differentiate between hook-and-line and longline pot gear and to improve regulatory consistency between the BSAI and GOA for monitoring and enforcement.

#### *Collapsible Pot Exception*

This final rule amends the collapsible pot exception as specified in paragraph (15)(i)(A) of the definition of “Authorized fishing gear” at § 679.2 by adding the directed fishery for Greenland turbot in the BS subarea to the current list of fisheries authorized to place a biodegradable panel anywhere on the mesh of a collapsible pot. Collapsible pot gear must have a biodegradable panel placed anywhere on the mesh using untreated cotton thread no longer than No. 30, which is at least 18 inches (45.72 cm) in length, or may be wrapped on the door of a pot that is at least 18 inches (45.72 cm) in diameter. This change facilitates the effective escapement of fish if a collapsible pot is lost and standardizes gear requirements for pot gear.

#### *Tunnel Opening Exception for Greenland Turbot*

This final rule amends the longline pot tunnel opening restriction specified in paragraph (15)(ii) of the definition of “Authorized fishing gear” at § 679.2.

The revision allows the use of pots with tunnel openings larger than 9 inches (22.86 cm) when participating in the directed fishery for Greenland turbot in the BS subarea. This change allows pot gear used in this fishery to not be size-selective for smaller Greenland turbot, allowing for larger fish to enter the pots. Additionally, this final rule reorders the existing halibut retention exception for improved clarity and organization for fisheries that have exceptions to the pot tunnel opening restriction.

#### *Longline Pot Gear Groundfish MRAs*

This final rule adds regulations at § 679.20(e)(3)(vii) to clarify that vessels using longline pot gear can retain groundfish up to the MRA of other groundfish species unless prohibited or required by other applicable law. These regulations were added due to the removal of the gear restriction that prevented retention of groundfish species by vessels using longline pot gear in the BS subarea when directed fishing for Greenland turbot.

#### **Comments and Responses**

NMFS received five comment letters on the proposed rule from members of the public and commercial fishing organizations. One comment was outside the scope of this action and NMFS considered 13 unique relevant comments, which are summarized and responded to below.

*Comment 1:* This action is long-needed to address the whale depredation issues and encourage prompt implementation to allow the directed fishery for Greenland turbot in the BS subarea to resume.

*Response:* NMFS acknowledges this comment.

*Comment 2:* The directed Greenland turbot fishery in the BS subarea has been a historically important source of income for operators and crew, particularly in years of lower abundance for Pacific cod. The largest of these operators is an Alaska Native-owned company whose revenues directly support their Alaska Native members and communities. An expedited return of harvest opportunity for Greenland turbot is critical to support our operators, crew, and communities that have historically relied on this fishery to support their livelihoods.

*Response:* NMFS acknowledges this comment.

*Comment 3:* NMFS should ensure that there are compliance measures in place for this action, as well as a plan for how these measures will be monitored given the remote location of fishery.

*Response:* Vessels subject to this action are required to comply with

existing recordkeeping and reporting, vessel monitoring system (VMS), and other compliance monitoring requirements as specified in part 679. Additionally, under regulations at §§ 679.100 and 679.101, the owner and operator of a vessel named on an LLP license with a Pacific cod C/P hook-and-line endorsement for the BS, AI, or both the BS and AI subareas (BSAI)—which includes vessels subject to this final rule—must comply with additional equipment and operational requirements as specified in regulation. Further, these vessels are required to carry observers when they operate and are also subject to at-sea boardings and shoreside inspections by the NOAA Office of Law Enforcement, the U.S. Coast Guard, and other law enforcement partners. Section 6.1 of the Analysis provides additional information on monitoring requirements for hook-and-line C/Ps operating in the BSAI.

*Comment 4:* The 9 inch (22.86 cm) tunnel opening was decided upon based on the average size of Greenland turbot and will not increase efficiency or profitability, it will only increase the bycatch and harm done to other species.

*Response:* The 9 inch (22.86 cm) tunnel opening exception for longline pot gear when used by C/Ps participating in the directed fishery for Greenland turbot in the BS subarea removes a potential impediment to selecting for larger and more valuable Greenland turbot in pots. Capture of incidental species will vary by depth, location, and gear type and is monitored by NMFS. NMFS can use inseason management authority to close directed fishing for a species, place a species on prohibited species catch (PSC) status, or close areas if a TAC is reached, an overfishing limit (OFL) is approached, or a PSC limit is reached. In the hook-and-line Greenland turbot fishery, grenadier, skates, sablefish, and Pacific cod are the predominant incidental species caught. Grenadier and skates are less common in pot gear, while Pacific cod will likely continue to be present as incidental catch in the directed Greenland turbot fishery. However, this is expected to remain minimal due to the depth at which Greenland turbot are fished. Golden king crab is the species most likely to interact with longline pot gear, but overall incidental catch is not anticipated to be significant. The increase in the pot tunnel width opening might increase the likelihood of halibut entering a pot, but that effect could be inconsequential if longline pot gear is deployed at a depth where halibut are relatively less available. Section 5.3 of the Analysis provides additional information on non-target

catch that might be expected to occur with longline pot gear in a directed fishery for Greenland turbot in the BS subarea.

*Comment 5:* The collapsible pot exception may reduce bycatch and should include a provision that describes the parameters for the biodegradable panel.

*Response:* Existing regulations in paragraph (15)(i)(A) of the definition of “Authorized fishing gear” at § 679.2 require collapsible pots to have a biodegradable panel placed anywhere on the mesh of the collapsible pot, which is at least 18 inches (45.72 cm) in length and is made from untreated cotton thread of no larger size than No. 30, or one door on the pot must measure at least 18 inches (45.72 cm) in diameter and be wrapped with untreated cotton thread of no larger size than No. 30. This requirement ensures that if pot gear becomes lost or unretrievable the untreated cotton thread will degrade and break over time allowing the mesh within a pot or door of a pot to open allowing for the release of captured fish.

*Comment 6:* Including measures to provide flexibility in the design of longline pots that may be deployed in the fishery with the inclusion of collapsible pot gear and an exception to the tunnel opening restriction is appreciated. These measures allow the ability to innovate and optimize longline pot gear design for use in this fishery.

*Response:* NMFS acknowledges this comment.

*Comment 7:* Use of longline pot gear will not mitigate whale depredation and will only put killer whales more at risk of injury or death.

*Response:* Interactions between killer whales and the directed fishery for Greenland turbot in the BS subarea are likely to decrease because it is more difficult for killer whales to feed on fish caught in pots than it is for killer whales to feed on fish caught on hook-and-line gear. This would reduce the opportunity to depredate Greenland turbot and remove the temptation for killer whales to approach fishing gear, thereby reducing the risk of entanglement. Whale depredation is expected to decrease with this action, as participants in the sablefish IFQ fishery have successfully reduced the impact of whale depredation by transitioning from hook-and-line to longline pot gear, which has become the predominant gear type used in this fishery since its authorization for use in the GOA in 2017. This action will increase flexibility for vessel operators to choose when to fish, as opposed to planning around times when whale encounters

are perceived to be more frequent and more damaging to catch rates. Section 3.4 of the Analysis provides additional information on killer whale depredation on hook-and-line C/P vessels participating in the directed fishery for Greenland turbot in the BS subarea.

*Comment 8:* Due to the ineffectiveness of acoustic and other non-lethal deterrents, changes in fishing gear have been proven to be more effective at protecting catches. Increasing cooperation between Federal agencies and stakeholders can improve conservation outcomes for cetaceans, fish, and other species in the BSAI.

*Response:* NMFS acknowledges this comment.

*Comment 9:* The longline pot gear MRA would increase bycatch and give further incentives to not be mindful of other species. The MRA should be decreased to decrease the environmental impact of longline fishing.

*Response:* This action does not modify the BSAI retainable percentages (also known as MRAs) specified in table 11 to part 679 and there are not separate MRAs by gear type. As described in the preamble to the proposed rule, this final rule, and the Analysis, an MRA limits the retention of incidental species that are caught while targeting other species or species groups open to directed fishing. This final rule clarifies regulations for MRAs when using longline pot gear and does not modify MRA limits. MRAs vary by species while Greenland turbot fishing. The directed Greenland turbot fishery in the BS subarea remains constrained by existing regulations concerning the location and timing of the fishery, MRA limits, and all other accountability measures. This action allows gear changes internal to an existing commercial fishery sector allocation within the directed fishery for Greenland turbot in the BS subarea for hook-and-line C/P vessels and is not expected to cause a substantial effect to any other physical or biological resource (see the response to Comment 4).

*Comment 10:* There should be focus on updating MRAs and TACs for groundfish and all incidental species, as incidental catch is expected to increase with measures intending to increase catch of Greenland turbot.

*Response:* This final rule does not modify the BSAI retainable percentages specified in table 11 to part 679, the TAC setting process, harvest limits, prohibited species catch, or other accountability measures currently in place. Modifying regulations associated with the TAC setting process and MRA limits is outside the scope of this action (see the response to Comment 9).

*Comment 11:* This action will allow new entrants to participate in the directed fishery for Greenland turbot in the BS subarea.

*Response:* This final rule is not intended to provide opportunities for new entrants into the directed fishery for Greenland turbot in the BS subarea. This action allows for hook-and-line C/P vessels, which are historical participants in the fishery, to use longline pot gear in the directed fishery for Greenland turbot in the BS subarea. Participation in the directed fishery for Greenland turbot in the BS subarea by hook-and-line C/Ps has not surpassed nine vessels since 2010 and participation has declined since 2018, with no participation at all in 2021, 2022, and 2023. This action is expected to restore participation to similar levels as in 2010 (*i.e.*, about nine vessels). Any new entrants to the fishery would be limited to the C/P vessels associated with LLP licenses that are part of the hook-and-line C/P sector. Section 3.3 of the Analysis provides additional information on participation and harvest in the directed fishery for Greenland turbot in the BS subarea by hook-and-line C/Ps.

*Comment 12:* This action is not intended to change regulations applicable to the Amendment 80 program and it is important to maintain the voluntary, non-regulatory agreement between cooperatives involved in the directed fishery for Greenland turbot in the BS subarea.

*Response:* NMFS acknowledges this comment.

*Comment 13:* This action seeks to uphold and further the goals of the MSA, by promoting its objectives of rebuilding fish stocks and preventing overfishing, and additionally prioritizing conservation to ensure long-term economic and social benefits of a sustainable seafood supply.

*Response:* NMFS acknowledges this comment.

#### Changes From Proposed to Final Rule

One change was made from the proposed rule to this final rule: a technical change at § 679.24(b)(1)(v), which adds a reference to the definition of “hook-and-line catcher/processor” specified at § 679.2 because the term hook-and-line catcher/processor is defined there.

#### Classification

Pursuant to section 304(b)(3) of the Magnuson-Stevens Act, the NMFS Assistant Administrator (AA) has determined that this final rule is consistent with the BSAI FMP, other

provisions of the Magnuson-Stevens Act, and other applicable law.

This final rule has been determined to be not significant for purposes of Executive Order 12866.

This final rule is a deregulatory action under Executive Order 14192.

NMFS has determined that this action would not have a substantial direct effect on one or more Indian Tribes, on the relationship between the Federal Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes; therefore, consultation with Tribal officials under E.O. 13175 is not required, and the requirements of sections (5)(b) and (5)(c) of E.O. 13175 also do not apply. A Tribal summary impact statement under section (5)(b)(2)(B) and section (5)(c)(2)(B) of E.O. 13175 is not required and has not been prepared.

#### *Certification Under the Regulatory Flexibility Act*

The Chief Counsel for Regulation of the Department of Commerce certified to the Chief Counsel for Advocacy of the Small Business Administration during the proposed rule stage that this action would not have a significant economic impact on a substantial number of small entities. The factual basis for the certification was published in the proposed rule and is not repeated here. No comments were received regarding this certification. As a result, a regulatory flexibility analysis was not required and none was prepared.

#### *Collection-of-Information Requirements*

This final rule contains collection-of-information requirements subject to review and approval by the OMB under the Paperwork Reduction Act (PRA). This final rule revises the existing collection-of-information requirements for OMB Control Number 0648–0515 (Alaska Interagency Electronic Reporting System) and revises and extends by 3 years the existing requirements for OMB Control Number 0648–0353 (Alaska Region Gear Identification Requirements). The changes to the collections are described below. The public reporting burden estimates provided below include the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

#### *OMB Control Number 0648–0515*

The information collection for 0648–0515 is revised because this final rule adds the directed fishery for Greenland

turbot in the BS subarea to the recordkeeping and reporting requirements specific to longline pot gear. Vessel operators are required to enter in the logbook the length of a longline pot set, pot size and spacing, number of pots deployed, and the number of pots lost when the set is retrieved. The hook-and-line C/Ps currently use the C/P electronic logbook. This revision does not change the respondents, responses, burden hours, or costs for the C/P electronic logbook. Public reporting burden is estimated to average 15 minutes per individual response for the C/P electronic logbook. The current burden estimate of this logbook incorporates existing variances for existing participants to complete and submit the logbook.

#### *OMB Control Number 0648–0353*

NMFS revises and extends for 3 years the existing requirements for OMB Control Number 0648–0353, which contains the gear identification requirements for the groundfish fisheries in the Exclusive Economic Zone off Alaska. The information collection for 0648–0353 is revised because this final rule requires that each end of a set of longline pot gear deployed when participating in the directed fishery for Greenland turbot in the BS subarea have one hard buoy ball attached marked with “LP” to distinguish this gear type from others authorized for this fishery. This revision adds an estimated nine respondents for marking longline pot gear. No changes are made to the estimated burden or cost because the estimates incorporate existing variances for existing participants in the time and cost to mark buoys. Public reporting burden is estimated to average 30 minutes or less per individual response to collect the information and paint it on a buoy. The cost to mark buoys is estimated at \$100 per respondent, which covers materials such as paint, paintbrushes, permanent ink applicator, and stencils.

We invite the general public and other Federal agencies to comment on proposed and continuing information collections, which helps us assess the impact of our information collection requirements and minimize the public’s reporting burden. Written comments and recommendations for these information collections should be submitted on the following website: <https://www.reginfo.gov/public/do/PRAMain>. Find the particular information collection by using the search function and entering either the title of the collection or OMB control number 0648–0515 (Alaska Interagency

Electronic Reporting System) or OMB Control Number 0648–0353 (Alaska Region Gear Identification Requirements).

Notwithstanding any other provision of law, no person is required to respond to, and no person shall be subject to penalty for failure to comply with, a collection of information subject to the requirements of the PRA, unless that collection of information displays a currently valid OMB control number.

#### **List of Subjects in 50 CFR Part 679**

Alaska, Fisheries, Reporting and recordkeeping requirements.

Dated: March 21, 2025.

**Samuel D. Rauch III,**

*Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service.*

For the reasons set out in the preamble, NMFS amends 50 CFR part 679 as follows:

#### **PART 679—FISHERIES OF THE EXCLUSIVE ECONOMIC ZONE OFF ALASKA**

■ 1. The authority citation for part 679 continues to read as follows:

**Authority:** 16 U.S.C. 773 *et seq.*; 1801 *et seq.*; 3631 *et seq.*; Pub. L. 108–447; Pub. L. 111–281.

■ 2. In § 679.2 amend the definition for “Authorized fishing gear” by revising paragraph (15)(i)(A), redesignating paragraph (15)(iii) as paragraph (15)(ii)(A), and adding paragraph (15)(ii)(B) to read as follows:

#### **§ 679.2 Definitions.**

\* \* \* \* \*

*Authorized fishing gear* \* \* \*

\* \* \* \* \*

(15) \* \* \*

(i) \* \* \*

(A) *Collapsible pot exception.* A collapsible pot (*e.g.*, slinky pot) used to fish for halibut IFQ or CDQ, or sablefish IFQ or CDQ, in accordance with paragraph (4) of this definition, or used to directed fish for Greenland turbot in the Bering Sea subarea of the BSAI, is exempt from the biodegradable panel placement requirements described in paragraph (15)(i) of this definition. Instead, a collapsible pot must have either a biodegradable panel placed anywhere on the mesh of the collapsible pot, which is at least 18 inches (45.72 cm) in length and is made from untreated cotton thread of no larger size than No. 30, or one door on the pot must measure at least 18 inches (45.72 cm) in diameter and be wrapped with

untreated cotton thread of no larger size than No. 30.

\* \* \* \* \*

(ii) \* \* \*

(B) *Greenland turbot exception*. If directed fishing for Greenland turbot in the Bering Sea subarea of the BSAI with

longline pots, the tunnel opening requirement under paragraph 15(ii) of this definition does not apply.

\* \* \* \* \*

■ 3. Revise § 679.5 paragraph (c)(3)(v)(G)(2)(i) and (ii) to read as follows:

**§ 679.5 Recordkeeping and reporting (R&R).**

\* \* \* \* \*

(c) \* \* \*

(3) \* \* \*

(v) \* \* \*

(G) \* \* \*

If gear type is . . .

Then . . .

(2) \* \* \* .....

(i) If using longline pot gear in the GOA or while directed fishing for Greenland turbot in the Bering Sea subarea of the BSAI, enter the length of longline pot set to the nearest foot, the size of pot in inches (width by length by height or diameter), and spacing of pots to the nearest foot.

(ii) If using longline pot gear in the GOA or while directed fishing for Greenland turbot in the Bering Sea subarea of the BSAI, enter the number of pots deployed in each set (see paragraph (c)(3)(vi)(F) of this section) and the number of pots lost when the set is retrieved (optional, but may be required by IPHC regulations see §§ 300.60 through 300.65 of this title).

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■ 4. Amend § 679.20 by *adding new paragraph (e)(3)(vii) to read as follows*:

**§ 679.20 General limitations.**

\* \* \* \* \*

(e) \* \* \*

(3) \* \* \*

(vii) For vessels using longline pot gear pursuant to § 679.24(b), catch may be retained up to the maximum retainable amount unless retention is prohibited or required by other applicable laws.

\* \* \* \* \*

■ 5. Amend § 679.24 by revising paragraph (a)(3) and *adding new paragraph (b)(1)(v) to read as follows*:

**§ 679.24 Gear limitations.**

\* \* \* \* \*

(a) \* \* \*

(3) Each end of a set of longline pot gear deployed to fish IFQ sablefish in the GOA, and each end of a set of longline pot gear deployed to fish for Greenland turbot in the Bering Sea subarea of the BSAI, must have one hard buoy ball attached and marked with the

capital letters “LP” in accordance with paragraph (a)(2) of this section.

\* \* \* \* \*

(b) \* \* \*

(1) \* \* \*

(v) While directed fishing for Greenland turbot in the Bering Sea subarea of the BSAI by a hook-and-line catcher/processor as defined in § 679.2.

\* \* \* \* \*

[FR Doc. 2025–05145 Filed 3–26–25; 8:45 am]

**BILLING CODE 3510–22–P**

# Proposed Rules

Federal Register

Vol. 90, No. 58

Thursday, March 27, 2025

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2025-0479; Project Identifier MCAI-2024-00436-T]

RIN 2120-AA64

#### Airworthiness Directives; Airbus SAS Airplanes

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

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** The FAA proposes to supersede Airworthiness Directive (AD) 2016-14-03, which applies to all Airbus SAS Model A319-111, -112, -113, -114, -115, -131, -132, and -133 airplanes; Model A320-211, -212, -214, -231, -232, and -233 airplanes; and Model A321-111, -112, -131, -211, -212, -213, -231, and -232 airplanes. AD 2016-14-03 requires reinforcing the forward pressure bulkhead at a certain stringer on both the left-hand and right-hand sides and doing related investigative and corrective actions if necessary. Since the FAA issued AD 2016-14-03, new crack findings have prompted the need for repetitive inspections of the area. This proposed AD would continue to require the actions in AD 2016-14-03, add repetitive inspections of structure at a certain frame and applicable corrective actions, provide a terminating action for the repetitive inspections, and remove airplanes from the applicability, as specified in a European Union Aviation Safety Agency (EASA) AD, which is proposed for incorporation by reference (IBR). The FAA is proposing this AD to address the unsafe condition on these products.

**DATES:** The FAA must receive comments on this proposed AD by May 12, 2025.

**ADDRESSES:** You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to [regulations.gov](https://www.regulations.gov). Follow the instructions for submitting comments.

- *Fax:* 202-493-2251.

- *Mail:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.

- *Hand Delivery:* Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

**AD Docket:** You may examine the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA-2025-0479; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The street address for Docket Operations is listed above.

**Material Incorporated by Reference:**

- For EASA material identified in this proposed AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; telephone +49 221 8999 000; email [ADs@easa.europa.eu](mailto:ADs@easa.europa.eu); website [easa.europa.eu](https://easa.europa.eu). You may find this material on the EASA website at [ad.easa.europa.eu](https://ad.easa.europa.eu). It is also available at [regulations.gov](https://www.regulations.gov) under Docket No. FAA-2025-0479.

- You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195.

#### FOR FURTHER INFORMATION CONTACT:

Nicholas Benson, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206-231-3647; email: [nicholas.h.benson@faa.gov](mailto:nicholas.h.benson@faa.gov).

#### SUPPLEMENTARY INFORMATION:

##### Comments Invited

The FAA invites you to send any written relevant data, views, or arguments about this proposal. Send your comments to an address listed under the **ADDRESSES** section. Include "Docket No. FAA-2025-0479; Project Identifier MCAI-2024-00436-T" at the beginning of your comments. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. The FAA

will consider all comments received by the closing date and may amend this proposal because of those comments.

Except for Confidential Business Information (CBI) as described in the following paragraph, and other information as described in 14 CFR 11.35, the FAA will post all comments received, without change, to [regulations.gov](https://www.regulations.gov), including any personal information you provide. The agency will also post a report summarizing each substantive verbal contact received about this NPRM.

#### Confidential Business Information

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this NPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this NPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as "PROPIN." The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this NPRM. Submissions containing CBI should be sent to Nicholas Benson, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206-231-3647; email: [nicholas.h.benson@faa.gov](mailto:nicholas.h.benson@faa.gov). Any commentary that the FAA receives that is not specifically designated as CBI will be placed in the public docket for this rulemaking.

#### Background

The FAA issued AD 2016-14-03, Amendment 39-18584 (81 FR 44496, July 8, 2016) (AD 2016-14-03), for all Airbus SAS Model A319-111, -112, -113, -114, -115, -131, -132, and -133 airplanes; Model A320-211, -212, -214, -231, -232, and -233 airplanes; and Model A321-111, -112, -131, -211, -212, -213, -231, and -232 airplanes. AD 2016-14-03 was prompted by an MCAI originated by EASA, which is the Technical Agent for the Member States of the European Union. EASA issued AD 2014-0209, dated September 19, 2014, to correct an unsafe condition.

AD 2016–14–03 requires reinforcing the forward pressure bulkhead at a certain stringer on both the left-hand and right-hand sides and doing related investigative and corrective actions if necessary. The FAA issued AD 2016–14–03 to prevent fatigue cracking of the forward pressure bulkhead, which could result in reduced structural integrity of the airplane.

#### **Actions Since AD 2016–14–03 Was Issued**

Since the FAA issued AD 2016–14–03, EASA superseded AD 2014–0209, dated September 19, 2014, and issued EASA AD 2024–0147R1, dated August 7, 2024 (EASA AD 2024–0147R1) (also referred to as the MCAI), to correct an unsafe condition for certain Airbus SAS Model A318–111, –112, –121, –122 airplanes; Model A319–111, –112, –113, –114, –115, –131, –132, and –133 airplanes; Model A320–211, –212, –214, –215, –216, –231, –232, and –233 airplanes; and Model A321–111, –112, –131, –211, –212, –213, –231, and –232 airplanes. Model A320–215 airplanes are not certificated by the FAA and are not included on the U.S. type certificate data sheet; this proposed AD therefore does not include those airplanes in the applicability. The MCAI states that after EASA AD 2014–0209 was issued, several findings of cracks were reported in service during application of Airworthiness Limitation Item (ALI) tasks 532166 and 533186. As a result of these findings, Airbus has developed different thresholds and inspection requirements compared to those specified in ALI tasks 532166 and 533186; and requires those inspections until a modification is done.

EASA AD 2014–0209, dated September 19, 2014 applied to all airplanes of the identified airplane models. EASA AD 2024–0147R1 removes airplanes on which certain Airbus modifications were embodied in production or in service.

The FAA is proposing this AD to prevent cracking of the forward center bulkhead. The unsafe condition, if not addressed, could result in reduced structural integrity of the fuselage. You may examine the MCAI in the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA–2025–0479.

#### **Explanation of Retained Requirements**

Although this proposed AD does not explicitly restate the requirements of AD 2016–14–03, this proposed AD would retain all requirements of AD 2016–14–03. Those requirements are referenced in EASA AD 2024–0147R1, which, in turn, is referenced in paragraph (g) of this proposed AD.

#### **Material Incorporated by Reference Under 1 CFR Part 51**

EASA AD 2024–0147R1 specifies procedures for repetitive inspections for cracking of the airplane structure at frame (FR) 35 and stringer (STGR) 30 on the left-hand and right-hand sides for Airbus SAS Model A318, Model A319, and Model A320 airplanes; and at FR 35.8 and STGR 30 on the left-hand and right-hand sides for Airbus SAS Model A321 airplanes. EASA AD 2024–0147R1 also specifies obtaining and following instructions for crack repair. EASA AD 2024–0147R1 specifies that accomplishment of that inspection on an airplane terminates ALI tasks 532166 and task 533186 requirements.

EASA AD 2024–0147R1 also specifies procedures for modifying the forward pressure bulkhead at the frame coupling on the left-hand and right-hand sides of FR 35 and STGR 30, including applicable related investigative and corrective actions, for Airbus SAS Model A318, Model A319, and Model A320 airplanes; and at FR 35.8 and STGR 30 for Airbus SAS Model A321 airplanes. EASA AD 2024–0147R1 specifies that this modification constitutes terminating action for the repetitive inspections for that airplane.

This material is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

#### **FAA's Determination**

This product has been approved by the aviation authority of another country and is approved for operation in the United States. Pursuant to the FAA's bilateral agreement with this State of Design Authority, it has notified the FAA of the unsafe condition described in the MCAI referenced above. The FAA is issuing this NPRM after determining that the unsafe condition described previously is likely to exist or develop in other products of the same type design.

#### **Proposed AD Requirements in This NPRM**

This proposed AD would retain all requirements of AD 2016–14–03. This proposed AD would remove airplanes from the applicability and require accomplishing the actions specified in EASA AD 2024–0147R1 described previously, except for any differences identified as exceptions in the regulatory text of this proposed AD.

#### **Explanation of Required Compliance Information**

In the FAA's ongoing efforts to improve the efficiency of the AD

process, the FAA developed a process to use some civil aviation authority (CAA) ADs as the primary source of information for compliance with requirements for corresponding FAA ADs. The FAA has been coordinating this process with manufacturers and CAAs. As a result, the FAA proposes to incorporate EASA AD 2024–0147R1 by reference in the FAA final rule. This proposed AD would, therefore, require compliance with EASA AD 2024–0147R1 in its entirety through that incorporation, except for any differences identified as exceptions in the regulatory text of this proposed AD. Using common terms that are the same as the heading of a particular section in EASA AD 2024–0147R1 does not mean that operators need comply only with that section. For example, where the AD requirement refers to "all required actions and compliance times," compliance with this AD requirement is not limited to the section titled "Required Action(s) and Compliance Time(s)" in EASA AD 2024–0147R1. Material required by EASA AD 2024–0147R1 for compliance will be available at [regulations.gov](https://www.regulations.gov) under Docket No. FAA–2025–0479 after the FAA final rule is published.

#### **Costs of Compliance**

The FAA estimates that this AD, if adopted as proposed, would affect 1,922 airplanes of U.S. registry. The FAA estimates the following costs to comply with this proposed AD:

The FAA estimates that it would take up to 21 work-hours per product to comply with the retained actions from AD 2016–14–03. The average labor rate is \$85 per work-hour. Based on these figures, FAA estimates the cost for U.S. operators is up to \$3,430,770, or up to \$1,785 per product.

The FAA estimates that it would take up to 11 work-hours per product to comply with the new proposed actions. The average labor rate is \$85 per work-hour. Based on these figures, FAA estimates the cost for U.S. operators is up to \$1,797,070, or up to \$935 per product.

The FAA has received no definitive data on which to base the cost estimates for the on-condition actions specified in this proposed AD.

According to the manufacturer, some or all of the costs of this proposed AD may be covered under warranty, thereby reducing the cost impact on affected individuals. The FAA does not control warranty coverage for affected individuals. As a result, the FAA has included all known costs in the cost estimate.

## Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. 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.

The FAA is issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701: General requirements. Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

## Regulatory Findings

The FAA determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD would not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify this proposed regulation:

- (1) Is not a "significant regulatory action" under Executive Order 12866,
- (2) Would not affect intrastate aviation in Alaska, and
- (3) Would not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

## List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

## The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 14 CFR part 39 as follows:

## PART 39—AIRWORTHINESS DIRECTIVES

- 1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

### § 39.13 [Amended]

- 2. The FAA amends § 39.13 by:

- a. Removing Airworthiness Directive (AD) 2016–14–03, Amendment 39–18584 (81 FR 44496, July 8, 2016); and
- b. Adding the following new AD:

**Airbus SAS:** Docket No. FAA–2025–0479; Project Identifier MCAI–2024–00436–T.

#### (a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by May 12, 2025.

#### (b) Affected ADs

This AD replaces AD 2016–14–03, Amendment 39–18584 (81 FR 44496, July 8, 2016) (AD 2016–14–03).

#### (c) Applicability

This AD applies to Airbus SAS Model airplanes specified in paragraphs (c)(1) through (4) of this AD, certificated in any category, as identified in European Union Aviation Safety Agency (EASA) AD 2024–0147R1, dated August 7, 2024 (EASA AD 2024–0147R1).

(1) Model A318–111, –112, –121, and –122 airplanes.

(2) Model A319–111, –112, –113, –114, –115, –131, –132, and –133 airplanes.

(3) Model A320–211, –212, –214, –216, –231, –232, and –233 airplanes.

(4) Model A321–111, –112, –131, –211, –212, –213, –231, and –232 airplanes.

#### (d) Subject

Air Transport Association (ATA) of America Code 53, Fuselage.

#### (e) Unsafe Condition

This AD was prompted by the need to complete certain mandated programs intended to support the airplane reaching its limit of validity (LOV) of the engineering data that support the established structural maintenance program. This AD was also prompted by reports that during inspections accomplished as specified in certain Airworthiness Limitation Items (ALIs), cracks were detected on the fastener holes at frame (FR) 35 or FR 35.8 between stringers (STGRs) 28 and 31. The FAA is issuing this AD to prevent fatigue cracking on the forward pressure bulkhead. The unsafe condition, if not addressed, could result in reduced structural integrity of the fuselage.

#### (f) Compliance

Comply with this AD within the compliance times specified, unless already done.

#### (g) Requirements

Except as specified in paragraph (h) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, EASA AD 2024–0147R1.

#### (h) Exceptions to EASA AD 2024–0147R1

(1) Where EASA AD 2024–0147R1 refers to its effective date, this AD requires using the effective date of this AD.

(2) Where paragraph (2) of EASA AD 2024–0147R1 specifies "If, during any inspection as required by paragraph (1) of this AD, discrepancies are detected, before next flight, contact Airbus to obtain approved

instructions for corrective action and accomplish those instructions accordingly," this AD requires replacing that text with the following: "If, during any inspection as required by paragraph (1) of this AD, any cracking is detected, the cracking must be repaired before further flight using a method approved by the Manager, AIR–520, Continued Operational Safety Branch, FAA; or EASA; or Airbus SAS's EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature."

(3) Where EASA AD 2024–0147R1 refers to "03 October 2014 [the effective date of EASA AD 2014–0209]," this AD requires using August 12, 2016 (the effective date of AD 2016–14–03).

(4) Where paragraph (6) of EASA AD 2024–0147R1 specifies "repaired using Airbus approved instructions, accomplish the (repetitive) inspection for each repaired hole in accordance with the applicable Airbus approved instructions within the compliance time herein specified," this AD requires replacing that text with the following: "repaired using a method approved by the Manager, AIR–520, Continued Operational Safety Branch, FAA; or EASA; or Airbus SAS's EASA Design Organization Approval (DOA), provided the DOA approval includes the DOA-authorized signature: accomplish the (repetitive) inspection for each repaired hole in accordance with the applicable approved instructions within the compliance time herein specified."

(5) This AD does not adopt the "Remarks" section of EASA AD 2024–0147R1.

#### (i) Additional AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, AIR–520, Continued Operational Safety Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or responsible Flight Standards Office, as appropriate. If sending information directly to the manager of the Continued Operational Safety Branch, send it to the attention of the person identified in paragraph (j) of this AD and email to: [AMOC@faa.gov](mailto:AMOC@faa.gov). Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the responsible Flight Standards Office.

(2) *Contacting the Manufacturer:* For any requirement in this AD to obtain instructions from a manufacturer, the instructions must be accomplished using a method approved by the Manager, AIR–520, Continued Operational Safety Branch, FAA; or EASA; or Airbus SAS's EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

(3) *Required for Compliance (RC):* Except as required by paragraph (i)(2) of this AD, if any material contains procedures or tests that are identified as RC, those procedures and tests must be done to comply with this AD; any procedures or tests that are not identified as RC are recommended. Those procedures

and tests that are not identified as RC may be deviated from using accepted methods in accordance with the operator's maintenance or inspection program without obtaining approval of an AMOC, provided the procedures and tests identified as RC can be done and the airplane can be put back in an airworthy condition. Any substitutions or changes to procedures or tests identified as RC require approval of an AMOC.

**(j) Additional Information**

For more information about this AD, contact Nicholas Benson, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206-231-3647; email: [nicholas.h.benson@faa.gov](mailto:nicholas.h.benson@faa.gov).

**(k) Material Incorporated by Reference**

(1) The Director of the Federal Register approved the incorporation by reference (IBR) of the material listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this material as applicable to do the actions required by this AD, unless this AD specifies otherwise.

(i) European Union Aviation Safety Agency (EASA) AD 2024-0147R1, dated August 7, 2024.

(ii) [Reserved]

(3) For EASA material identified in this AD, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; telephone +49 221 8999 000; email [ADs@easa.europa.eu](mailto:ADs@easa.europa.eu); website [easa.europa.eu](http://easa.europa.eu). You may find this material on the EASA website at [ad.easa.europa.eu](http://ad.easa.europa.eu).

(4) You may view this material at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195.

(5) You may view this material at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, visit [www.archives.gov/federal-register/cfr/ibr-locations](http://www.archives.gov/federal-register/cfr/ibr-locations) or email [fr.inspection@nara.gov](mailto:fr.inspection@nara.gov).

Issued on March 21, 2025.

**Peter A. White,**

*Deputy Director, Integrated Certificate Management Division, Aircraft Certification Service.*

[FR Doc. 2025-05215 Filed 3-26-25; 8:45 am]

**BILLING CODE 4910-13-P**

# Notices

Federal Register

Vol. 90, No. 58

Thursday, March 27, 2025

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

## COMMISSION ON CIVIL RIGHTS

### Notice of Public Meeting of the Wyoming Advisory Committee to the U.S. Commission on Civil Rights

**AGENCY:** U.S. Commission on Civil Rights.

**ACTION:** Notice of public meeting.

**SUMMARY:** Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights (Commission) and the Federal Advisory Committee Act, that the Wyoming Advisory Committee (Committee) to the U.S. Commission on Civil Rights will hold a virtual business meeting via Zoom at 1:00 p.m. MT on Wednesday, April 30, 2025. The purpose of this meeting is to discuss post-report activity for the Committee's project, *Housing Discrimination and Fair Housing Practices in Wyoming*.

**DATES:** Wednesday, April 30, 2025, from 1:00 p.m.–2:30 p.m. Mountain Time.

**ADDRESSES:** The meeting will be held via Zoom Webinar.

*Registration Link (Audio/Visual):*  
[https://www.zoomgov.com/webinar/register/WN\\_X\\_dH-3XOSKOQGFp24vDIQ](https://www.zoomgov.com/webinar/register/WN_X_dH-3XOSKOQGFp24vDIQ).

*Join by Phone (Audio Only):* (833) 435–1820 USA Toll-Free; Meeting ID: 160 276 9556.

**FOR FURTHER INFORMATION CONTACT:** Kayla Fajota, Designated Federal Officer, at [kfajota@usccr.gov](mailto:kfajota@usccr.gov) or (434) 515–2395.

**SUPPLEMENTARY INFORMATION:** This committee meeting is available to the public through the registration link above. Any interested member of the public may listen to the meeting. An open comment period will be provided to allow members of the public to make a statement as time allows. Per the Federal Advisory Committee Act, public minutes of the meeting will include a list of persons who are present at the meeting. If joining via phone, callers can

expect to incur regular charges for calls they initiate over wireless lines, according to their wireless plan. The Commission will not refund any incurred charges. Callers will incur no charge for calls they initiate over land-line connections to the toll-free telephone number. Closed captioning will be available for individuals who are deaf, hard of hearing, or who have certain cognitive or learning impairments. To request additional accommodations, please email Liliana Schiller, Support Services Specialist, at [lschiller@usccr.gov](mailto:lschiller@usccr.gov) at least 10 business days prior to the meeting.

Members of the public are entitled to submit written comments; the comments must be received in the regional office within 30 days following the meeting. Written comments may be emailed to Kayla Fajota at [kfajota@usccr.gov](mailto:kfajota@usccr.gov). Persons who desire additional information may contact the Regional Programs Coordination Unit at (434) 515–2395.

Records generated from this meeting may be inspected and reproduced at the Regional Programs Coordination Unit, as they become available, both before and after the meeting. Records of the meeting will be available via the file sharing website, [www.box.com](http://www.box.com). Persons interested in the work of this Committee are directed to the Commission's website, [www.usccr.gov](http://www.usccr.gov), or may contact the Regional Programs Coordination Unit at the above phone number.

### Agenda

- I. Welcome & Roll Call
- II. Approval of Prior Meeting Minutes
- III. Discussion: Post-Report Activity
- IV. Next Steps
- V. Public Comment
- VI. Adjournment

Dated: March 24, 2025.

**David Mussatt,**

*Supervisory Chief, Regional Programs Unit.*

[FR Doc. 2025–05237 Filed 3–26–25; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A–533–843]

### Certain Lined Paper Products From India: Final Results of Antidumping Duty Administrative Review; 2022–2023

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The U.S. Department of Commerce (Commerce) determines that certain lined paper products (lined paper) from India were sold in the United States at less than normal value during the period of review (POR), September 1, 2022, through August 31, 2023.

**DATES:** Applicable March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Patrick Barton, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–0012.

### SUPPLEMENTARY INFORMATION:

#### Background

On October 11, 2024, Commerce published the *Preliminary Results* of this review in the **Federal Register**, and invited interested parties to comment on those results.<sup>1</sup> For a summary of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.<sup>2</sup> Commerce conducted this administrative review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended (the Act).

#### Scope of the Order<sup>3</sup>

The products covered by this *Order* are lined paper from India. For a

<sup>1</sup> See *Certain Lined Paper Products from India: Preliminary Results and Rescission, in Part, of Antidumping Duty Administrative Review; 2022–2023*, 89 FR 82569 (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

<sup>2</sup> See Memorandum, “Issues and Decision Memorandum for the Final Results of Antidumping Duty Administrative Review of Certain Lined Paper Products from India; 2022–2023,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

<sup>3</sup> See *Notice of Amended Final Determination of Sales at Less Than Fair Value: Certain Lined Paper Products from the People's Republic of China; Notice of Antidumping Duty Orders: Certain Lined Paper Products from India, Indonesia and the*

complete description of the scope, see the Issues and Decision Memorandum.

### Analysis of Comments Received

All issues raised in the case and rebuttal briefs are addressed in the Issues and Decision Memorandum. A list of the issues that parties raised and to which we responded in the Issues and Decision Memorandum is attached at Appendix I to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

### Changes Since the Preliminary Results

Based on our review of the record and comments received from interested parties regarding the *Preliminary Results*, we made certain changes to the margin calculation for ITC Limited,<sup>4</sup> as well as the selection of the rate for non-selected companies. For a discussion of these changes, see the Issues and Decision Memorandum.

### Rates for Companies Not Selected for Individual Examination

For the rate for non-selected respondents in an administrative review, generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation. Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted-average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}." In this segment of the proceeding, because the rate calculated for Navneet Education Ltd. is zero, we have assigned a dumping margin to the companies not

selected for individual review based on the weighted-average dumping margin calculated for ITC Limited.

### Final Results of Review

Commerce determines that the following estimated weighted-average dumping margins exist for the period September 1, 2022, through August 31, 2023:

| Producer or exporter                      | Weighted-average dumping margin (percent) |
|-------------------------------------------|-------------------------------------------|
| ITC Limited .....                         | 1.07                                      |
| Navneet Education Ltd .....               | 0.00                                      |
| Non-Selected Companies <sup>5</sup> ..... | 1.07                                      |

### Disclosure

Commerce intends to disclose to interested parties the calculations performed for these final results in this review within five days of the date of publication of this notice in the **Federal Register**, in accordance with 19 CFR 351.224(b).

### Assessment Rate

Pursuant to section 751(a)(2)(A) of the Act, and 19 CFR 351.212(b)(1), Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review. Pursuant to 19 CFR 351.212(b)(1), where the respondent reported the entered value of its U.S. sales, we calculated importer-specific antidumping duty assessment rates by aggregating the total amount of dumping calculated for the examined sales of each importer and dividing each of these amounts by the total entered value associated with those sales. Where the respondent did not report entered value, we calculated a per-unit assessment rate for each importer by dividing the total amount of dumping calculated for the examined sales made to that importer by the total quantity associated with those sales. To determine whether an importer-specific, per-unit assessment rate is *de minimis*, in accordance with 19 CFR 351.106(c)(2), we also calculated an importer-specific *ad valorem* ratio based on estimated entered values. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

<sup>5</sup> See Appendix II for a full list of the companies not individually examined in this review.

Commerce's "automatic assessment" will apply to entries of subject merchandise during the POR produced by the mandatory respondents for which the companies did not know that the merchandise they sold to an intermediary (e.g., a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate companies involved in the transaction.

Further, the assessment rate for antidumping duties for each of the companies not selected for individual examination will be equal to the weighted-average dumping margin identified above in "Final Results of Review."

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the **Federal Register**. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (i.e., within 90 days of publication).

### Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rates for the companies identified above in the "Final Results of Review" section will be equal to the company-specific weighted-average dumping margin established in the final results of this administrative review; (2) for merchandise exported by a company not covered in this administrative review but covered in a completed prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding; (3) if the exporter is not a firm covered in this review or completed prior segment of this proceeding but the producer is, the cash deposit rate will be the company-specific rate established for the most recently-completed segment of this proceeding for the producer of the subject merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 3.91 percent, the rate established in the

People's Republic of China; and Notice of Countervailing Duty Orders: Certain Lined Paper Products from India and Indonesia, 71 FR 56949 (September 28, 2006) (Order).

<sup>4</sup> As discussed in the *Preliminary Results*, we find that the correct name of the company is ITC Limited, whereas the *Initiation Notice* uses the name "ITC Limited-Education and Stationary Products Business," which is a division of ITC Limited, and not a legal entity. See *Preliminary Results*, 89 FR at 82569; see also *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 88 FR 78298 (November 15, 2023) (*Initiation Notice*).

investigation of this proceeding.<sup>6</sup> These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping and/or countervailing duties has occurred and the subsequent assessment of double antidumping duties, and/or an increase in the amount of antidumping duties by the amount of the countervailing duties.

#### Administrative Protective Order (APO)

This notice also serves as a final reminder to parties subject to an APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

#### Notification to Interested Parties

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(5) and 19 CFR 351.213(h)(1).

Dated: March 21, 2025.

**Christopher Abbott,**

*Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.*

#### Appendix I

##### List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Changes Since the Preliminary Results
- V. Discussion of the Issues

- Comment 1: Whether Commerce Should Adjust ITC Limited's Home Market Prices to Reflect Certain Discounts
- Comment 2: Whether Commerce Should Limit Certain ITC Limited Offsets
- Comment 3: Whether Commerce Should Utilize ITC Limited's Export Subsidy Offset Calculations

Comment 4: Whether Navneet's E-Commerce Sales Were Made at the Same Level of Trade (LOT) as its Home Market Sales in Channels Two, Three, Four, and Five

#### VI. Recommendation

#### Appendix II

##### Non-Individually Examined Companies Receiving a Review-Specific Rate

1. Cellpage Ventures Private Limited
2. Dinakar Process Private Limited
3. Lotus Global Private Limited
4. Pioneer Stationery Private Limited
5. PP Bafna Ventures Private Limited
6. SGM Paper Products

[FR Doc. 2025-05273 Filed 3-26-25; 8:45 am]

**BILLING CODE 3510-DS-P**

#### DEPARTMENT OF COMMERCE

##### National Oceanic and Atmospheric Administration

[RTID 0648-XE787]

##### New England Fishery Management Council; Public Meeting

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Notice of public meeting.

**SUMMARY:** The New England Fishery Management Council (Council) is scheduling a public meeting of its On-Demand Fishing Gear Conflict Working Group via webinar to consider actions affecting New England fisheries in the exclusive economic zone (EEZ). Recommendations from this group will be brought to the full Council for formal consideration and action, if appropriate.

**DATES:** This webinar will be held on Tuesday, April 29, 2025 at 9:30 a.m.

#### ADDRESSES:

**Webinar registration URL information:** <https://nefmc-org.zoom.us/j/9PHEQRO3Fw-wLaSIw>.

**Council address:** New England Fishery Management Council, 50 Water Street, Mill 2, Newburyport, MA 01950.

**FOR FURTHER INFORMATION CONTACT:** Cate O'Keefe, Executive Director, New England Fishery Management Council; telephone: (978) 465-0492.

#### SUPPLEMENTARY INFORMATION:

#### Agenda

The On-Demand Fishing Gear Conflict Working Group will meet to continue addressing Terms of Reference. They will also receive updates on on-demand fishing gear related activities, as available. Other business will be discussed if necessary.

Although non-emergency issues not contained on the agenda may come before this Council for discussion, those issues may not be the subject of formal action during this meeting. Council action will be restricted to those issues specifically listed in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Act, provided the public has been notified of the Council's intent to take final action to address the emergency. The public also should be aware that the meeting will be recorded. Consistent with 16 U.S.C. 1852, a copy of the recording is available upon request.

#### Special Accommodations

This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Cate O'Keefe, Executive Director, at (978) 465-0492, at least 5 days prior to the meeting date.

**Authority:** 16 U.S.C. 1801 *et seq.*

Dated: March 24, 2025.

**Key Israel Marquez,**

*Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.*

[FR Doc. 2025-05262 Filed 3-26-25; 8:45 am]

**BILLING CODE 3510-22-P**

#### DEPARTMENT OF COMMERCE

##### National Oceanic and Atmospheric Administration

[RTID 0648-XE801]

##### Caribbean Fishery Management Council; Public Meeting

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Notice of public hybrid meeting (in-person/virtual).

**SUMMARY:** The Caribbean Fishery Management Council (CFMC) will hold the 186th public hybrid meeting to address the items contained in the tentative agenda included in the **SUPPLEMENTARY INFORMATION.**

**DATES:** The 186th CFMC public hybrid meeting will be held on April 22, 2025, from 9 a.m. to 4:45 p.m., AST. A closed session will be held on April 22, 2025, from 5 p.m. to 5:30 p.m., AST, to discuss personnel matters. The Council will reconvene on April 23, 2025, from 9 a.m. to 4 p.m., AST.

**ADDRESSES:** The meetings will be held at The Buccaneer Hotel, 5007 Estate, Christiansted, St. Croix, U.S.V.I., 00824.

<sup>6</sup> See Order.

You may join the 186th CFMC public hybrid meeting via Zoom, from a computer, tablet or smartphone by entering the following address:

Join Zoom Meeting: <https://us02web.zoom.us/j/84328130219?pwd=65MKg0lyTe4h1Wv1fAKetKTPEdFAcx.1>.

Meeting ID: 843 2813 0219.

Passcode: 856050.

One tap mobile:

+17879667727,,84328130219#,,

\*,856050# Puerto Rico

+19399450244,,84328130219#,,

\*,856050# Puerto Rico

Dial by your location:

- +1 787 966 7727 Puerto Rico
- +1 939 945 0244 Puerto Rico
- +1 787 945 1488 Puerto Rico
- +1 689 278 1000 US
- +1 719 359 4580 US
- +1 929 205 6099 US (New York)
- +1 253 205 0468 US
- +1 253 215 8782 US (Tacoma)
- +1 301 715 8592 US (Washington DC)
- +1 305 224 1968 US
- +1 309 205 3325 US
- +1 312 626 6799 US (Chicago)
- +1 346 248 7799 US (Houston)
- +1 360 209 5623 US
- +1 386 347 5053 US
- +1 507 473 4847 US
- +1 564 217 2000 US
- +1 646 931 3860 US
- +1 669 444 9171 US
- +1 669 900 6833 US (San Jose)

Find your local number: <https://us02web.zoom.us/j/84328130219?pwd=65MKg0lyTe4h1Wv1fAKetKTPEdFAcx.1>.

In case there are problems, and we cannot reconnect via Zoom, the meeting will continue using GoToMeeting.

Please join my meeting from your computer, tablet or smartphone.

<https://meet.goto.com/971749317>

You can also dial in using your phone.

Access Code: 971-749-317

United States: +1 (408) 650-3123

**FOR FURTHER INFORMATION CONTACT:**

Miguel A. Rolón, Executive Director, Caribbean Fishery Management Council, 270 Muñoz Rivera Avenue, Suite 401, San Juan, Puerto Rico 00918-1903, telephone: (787) 398-3717.

**SUPPLEMENTARY INFORMATION:** The following items included in the tentative agenda will be discussed:

**April 22, 2025**

9 a.m.–9:30 a.m.

—Call to Order

—Roll Call

—Adoption of Agenda

—Consideration of 185th Council Meeting Verbatim Transcription

—Executive Director's Report

9:30 a.m.–10:15 a.m.

—Update NOAA Fisheries/Council Island Based Fishery Management Plans (FMPs) Actions and Amendments—María López-Mercer, NOAA Fisheries/SERO

10:15 a.m.–10:30 a.m.

—Coffee Break

10:30 a.m.–11 a.m.

—Amendment 4 to the Puerto Rico FMP: Reclassification of the Rainbow Runner as a Pelagic Fish—Final Action; María López-Mercer, NOAA Fisheries/SERO

11 a.m.–11:30 a.m.

—Scientific and Statistical Committee Report—Vance Vicente, Chair

—Ecosystem-Based Fisheries Management Technical Advisory Panel Report—Sennai Habtes, Chair

11:30 a.m.–12 p.m.

—Sea Grant Program Update—Ruperto Chaparro, Director, Sea Grant Program UPR

12 p.m.–1:30 p.m.

—Lunch Break

1:30 p.m.–2 p.m.

—Progress of the eReporting Application After 4 Years Implemented in Puerto Rico—Daniel Matos Caraballo, Puerto Rico Fisheries Research Laboratory, DNER

2 p.m.–3 p.m.

—Southeast Fishery Science Center Updates—Kevin McCarthy, Caribbean Fisheries Branch, NOAA Fisheries/SEFSC

3 p.m.–3:15 p.m.

—Coffee Break

3:15 p.m.–4:15 p.m.

—Federal Permits Discussion and Example—J. Stephen, NOAA Fisheries/SERO

4:15 p.m.–4:30 p.m.

—Response to St. Thomas Fishers Association Questions Regarding Grammanik Bank Management—Sarah Stephenson, NOAA Fisheries/SERO

4:30 p.m.–4:45 p.m.

—Public Comment Period (5-minute presentations)

4:45 p.m.

—Adjourn for the day

5 p.m.–5:30 p.m.

—Closed Session

**April 23, 2025**

9 a.m.–9:30 a.m.

—IRA Update—Martha Prada, CFMC IRA Coordinator

9:30 a.m.–10 a.m.

—Protected Resources Division Update—J. Lee, NOAA Fisheries/SERO

10 a.m.–10:30 a.m.

—Recap Social Science in the U.S. Caribbean: a 23-year perspective—Brent Stoffle, NOAA Fisheries/SEFSC

10:30 a.m.–10:45 a.m.

—Coffee Break

10:45 a.m.–11:30 a.m.

—Outreach and Education Advisory Panel Report—Jannette Ramos, Chair

—CFMC Social Networks—Cristina Olán

—CFMC Liaison Officers Reports (10 minutes each)

—St. Thomas/St. John, U.S.V.I.—

Nicole Greaux

—Puerto Rico—Wilson Santiago

—St. Croix, U.S.V.I.

11:30 a.m.–12 p.m.

—Sargassum Season Update—Julio Morell/Loraine Martel, CARICOOS, Inc.

12 p.m.–1:30 p.m.

—Lunch Break

1:30 p.m.–2:15 p.m.

—District Advisory Panel Reports (15 minutes each)

—St. Thomas, U.S.V.I.—Julian

Magras, Chair

—St. Croix, U.S.V.I.—Gerson

Martinez, Chair

—Puerto Rico—Nelson Crespo, Chair

2:15 p.m.–2:55 p.m.

—Enforcement Reports (10 minutes each)

—Puerto Rico DNER

—U.S.V.I. DPNR

—U.S. Coast Guard

—NOAA Fisheries Office of Law Enforcement

2:55 p.m.–3:15 p.m.

—Ecosystem Risk Assessment—Leigh Fletcher, Bioimpact Inc.

3:15 p.m.–3:30 p.m.

—Advisory Bodies Membership

3:30 p.m.–3:45 p.m.

—Other Business

3:45 p.m.–4 p.m.

—Public Comment Period (5-minute presentations)

—Next Meetings

4 p.m.

—Adjourn

*Note (1):* Other than starting time and dates of the meetings, the established times for addressing items on the agenda may be adjusted as necessary to accommodate the timely completion of discussion relevant to the agenda items. To further accommodate discussion and completion of all items on the agenda, the meeting may be extended from or completed before the date established in this notice. Changes in the agenda will be posted to the CFMC website, Facebook, Twitter and Instagram as practicable.

*Note (2):* Financial disclosure forms are available for inspection at this meeting, as per 50 CFR part 601.

The order of business may be adjusted as necessary to accommodate the completion of agenda items. The meeting will begin on April 22, 2025, at 9 a.m. AST, and will end on April 23, at 4 p.m., AST. Other than the start time on the first day of the meeting, interested parties should be aware that discussions may start earlier or later than indicated in the agenda, at the discretion of the Chair.

### Special Accommodations

For any additional information on this public hybrid meeting, please contact Diana Martino, Caribbean Fishery Management Council, 270 Muñoz Rivera Avenue, Suite 401, San Juan, Puerto Rico, 00918–1903, telephone: (787) 226–8849.

*Authority:* 16 U.S.C. 1801 *et seq.*

Dated: March 21, 2025.

**Key Israel Marquez,**

*Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.*

[FR Doc. 2025–05219 Filed 3–26–25; 8:45 am]

**BILLING CODE 3510–22–P**

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

#### Notice of Availability of Evaluation Findings for Coastal Zone Management Programs and National Estuarine Research Reserve

**AGENCY:** Office for Coastal Management, National Ocean Service, National Oceanic and Atmospheric Administration, Department of Commerce.

**ACTION:** Notice of availability.

**SUMMARY:** Notice is hereby given of the availability of final evaluation findings

for the Sapelo Island National Estuarine Research Reserve and six State and Territory coastal management programs: American Samoa, Hawaii, Mississippi, New Hampshire, New York, and Oregon, which were prepared pursuant to sections 312 and 315 of the Coastal Zone Management Act.

**ADDRESSES:** Copies of these final evaluation findings may be found at [https://coast.noaa.gov/czm/evaluations/evaluation\\_findings/index.html](https://coast.noaa.gov/czm/evaluations/evaluation_findings/index.html) or by submitting a written request to [czma.evaluations@noaa.gov](mailto:czma.evaluations@noaa.gov).

#### FOR FURTHER INFORMATION CONTACT:

Michael Migliori, Manager, Evaluation and Compliance, NOAA Office for Coastal Management, by phone at (443) 332–8936 or email at [Michael.Migliori@noaa.gov](mailto:Michael.Migliori@noaa.gov).

**SUPPLEMENTARY INFORMATION:** NOAA's Office for Coastal Management has completed the coastal zone management program final evaluation findings for the States of Hawaii, Mississippi, New Hampshire, New York, and Oregon and the Territory of American Samoa. The States and Territory were found to be implementing and enforcing their federally approved coastal zone management programs, addressing the national coastal management objectives identified in Coastal Zone Management Act section 303(2), and adhering to the programmatic terms of their financial assistance awards. In addition, NOAA's Office for Coastal Management has completed the final evaluation findings for Sapelo Island National Estuarine Research Reserve. The reserve was found to be adhering to the terms of the reserves' financial assistance awards and to the programmatic requirements of the Coastal Zone Management Act, including the requirements of Coastal Zone Management Act section 315(b)(2) and its implementing regulations.

NOAA published notices in the **Federal Register** for public meetings and opportunities to submit public comments on the evaluation of these State and Territory coastal zone management programs and the national estuarine research reserve. *See* 88 FR 1057 (Jan. 6, 2023) (American Samoa); 88 FR 50267 (June 13, 2024) (Hawaii); 88 FR 22677 (Apr. 2, 2024) (Mississippi); 88 FR 64887 (Sept. 20, 2023) (New Hampshire); 88 FR 3389 (Jan. 19, 2023) (New York); 88 FR 46778 (July 20, 2023) (Oregon); and 88 FR 85265 (Dec. 7, 2023) (Sapelo Island). NOAA addressed the public comments it received in the final evaluation findings.

*Authority:* 16 U.S.C. 1458 and 1461(f); 15 CFR 921.40 and 923.133.

**Keelin Kuipers,**

*Deputy Director, Office for Coastal Management, National Ocean Service, National Oceanic and Atmospheric Administration.*

[FR Doc. 2025–05158 Filed 3–26–25; 8:45 am]

**BILLING CODE 3510–08–P**

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

[RTID 0648–XE730]

#### Fisheries of the Exclusive Economic Zone Off Alaska; Application for an Exempted Fishing Permit

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Notice; receipt of application for exempted fishing permit.

**SUMMARY:** This notice announces NMFS' receipt of an application and the public comment period for an exempted fishing permit (EFP) from North Pacific Fisheries Research Foundation. If issued, this permit would allow the applicant to develop and test salmon excluders to optimize salmon escapement under summer pollock fishing conditions in the Bering Sea pollock fishery. In order to facilitate testing of salmon excluders, this EFP would exempt participating vessels from complying with certain regulations, described below under Exemptions. Field testing would be conducted in July and August during the fishery's 'B' season. Effective dates of the EFP would be from June 30, 2025 to September 1, 2025. This experiment would test salmon excluder designs that aim to optimize salmon escapement and thus promote the objectives of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act).

**DATES:** Comments on this EFP application must be submitted to NMFS on or before April 11, 2025. The North Pacific Fishery Management Council (Council) will consider the application at its meeting from March 31, 2025 through April 7, 2025.

**ADDRESSES:** The Council meeting will be held virtually. The agenda for the Council meeting is available at <http://www.npfmc.org>. In addition to submitting public comments during the Council meeting through the Council website, you may submit your

comments, identified by NOAA–NMFS–2025–0024, by either of the following methods:

- **Electronic Submission:** Submit all electronic public comments via the Federal e-Rulemaking Portal. Visit <https://www.regulations.gov> and type [NOAA–NMFS–2025–0024] in the Search box. Click on the “Comment” icon, complete the required fields, and enter or attach your comments.

- **Mail:** Submit written comments to Gretchen Harrington, Assistant Regional Administrator, Sustainable Fisheries Division, Alaska Region NMFS, Attn: Records Office. Mail comments to P.O. Box 21668, Juneau, AK 99802–1668.

- **Fax:** [(907) 586–7465]; **Attn:** [Gretchen Harrington].

**Instructions:** Comments sent by any other method, to any other address or individual, or received after the end of the comment period, may not be considered by NMFS. All comments received are a part of the public record and will generally be posted for public viewing on <https://www.regulations.gov> without change. All personal identifying information (e.g., name, address), confidential business information, or otherwise sensitive information submitted voluntarily by the sender will be publicly accessible. NMFS will accept anonymous comments (enter “N/A” in the required fields if you wish to remain anonymous).

Electronic copies of the EFP application and the basis for a categorical exclusion under the National Environmental Policy Act are available from <https://www.regulations.gov> or from the NMFS Alaska Region website at <https://www.fisheries.noaa.gov/region/alaska>.

**FOR FURTHER INFORMATION CONTACT:**

Maggie Chan, (907) 586–7228 or [Maggie.chan@noaa.gov](mailto:Maggie.chan@noaa.gov).

**SUPPLEMENTARY INFORMATION:** NMFS manages the groundfish fisheries in the exclusive economic zone of the Bering Sea and Aleutian Islands (BSAI) under the Fishery Management Plan (FMP) for Groundfish of the BSAI Management Area (BSAI FMP). The Council prepared the BSAI FMP under the authority of the Magnuson-Stevens Act, 16 U.S.C. 1801 *et seq.* Regulations governing the BSAI groundfish fisheries appear at 50 CFR parts 600 and 679. The FMP and the EFP-implementing regulations at § 600.745(b) and § 679.6 allow the NMFS Regional Administrator to authorize, for limited experimental purposes, fishing that would otherwise be prohibited. Procedures for issuing EFPs are contained in the implementing regulations.

**Background and Need for Exempted Fishing Permit**

In the Bering Sea pollock fishery, the majority of pollock trawl vessels use salmon excluder devices on a regular basis as part of the overall effort by the fishery to reduce salmon bycatch under the Chinook Prohibited Species Catch (PSC) limits and bycatch avoidance incentive program. However, the salmon excluders currently used in the fishery were developed in winter conditions with a focus on minimizing Chinook salmon bycatch. The predominant salmon species caught as bycatch in the Bering Sea pollock fishery are Chinook salmon in winter months and chum salmon in summer months. This EFP is focused on developing salmon excluders specific to summer pollock fishing conditions where chum salmon is the primary salmon species encountered as bycatch in the pollock fishery.

Conditions differ between summer and winter pollock fishing, including the species composition of bycatch, amount of daylight, pollock schooling behavior, duration of tows, *etc.* These seasonal fishery differences could be important when developing a salmon excluder specifically designed to work in summer pollock fishing conditions and focusing on reducing chum salmon bycatch. An EFP is needed to facilitate development and testing of salmon excluders specifically designed for summer pollock fishing conditions. Exemptions from certain regulations, as described below, are needed for the proposed EFP to meet the needs of the experimental design focused on minimizing chum salmon bycatch in summer months.

**Exempted Fishing Permit**

On March 11, 2025, Mr. John Gauvin, under contract with North Pacific Fisheries Research Foundation, submitted an application for an EFP to develop and test salmon excluders in the Bering Sea pollock fishery during summer fishing conditions, when chum salmon are the primary salmon species encountered as bycatch. The purpose and goal of this proposed EFP is to assess the performance of salmon excluder designs, including effects on pollock catch rates and salmon bycatch.

The proposed EFP aims to test salmon excluder devices on two catcher vessels and one catcher/processor, in different horsepower classes in the Bering Sea pollock fishery. All vessels will use pelagic trawls for pollock fishing in Alaska. Gear and fishing operations will be conducted in compliance with current management regulations with

the exception of the modifications exempted under the EFP.

Following the practice that the Council and NMFS have approved for past EFP experiments dedicated to salmon bycatch reduction (65 FR 55223, September 13, 2000), the EFP applicant requests that groundfish and salmon catches not count against each EFP vessel’s apportionment of the groundfish Total Allowable Catches (TACs) or Chinook salmon PSC limits.

Approximately 97 to 99 percent of the groundfish harvested is expected to be pollock. The EFP applicant expects a total of 3,000 metric tons (mt) of groundfish (primarily pollock) would be taken over the duration of the EFP. The harvest specifications published in 2024 (89 FR 17287, March 11, 2024) identify that for 2025, the Bering Sea pollock acceptable biological catch (ABC) level is 2,401,000 mt, and the Bering Sea pollock TAC is 1,325,000 mt. Up to 3,000 mt of pollock would be allowed to be harvested under the proposed EFP without accruing against the Bering Sea pollock TAC. The 3,000 mt of pollock equates to 0.12 percent of the 2025 Bering Sea pollock ABC, 0.23 percent of the Bering Sea pollock TAC, and 0.28 percent of the difference between the ABC and the TAC.

Very little groundfish incidental catch occurs in the pollock fishery. The majority of these other species harvested under the EFP likely would be Pacific cod, skates, flatfish, halibut, and jellyfish. The amount of groundfish harvest under the EFP and by the commercial groundfish fisheries is not expected to cause the ABCs for any groundfish species to be exceeded because other groundfish TACs are set with a sufficient difference between ABC and TAC to accommodate EFP fishing catch of groundfish species other than pollock.

The incidental take of salmon during the experiment is crucial for determining the effectiveness of the excluder device. Chinook salmon is under PSC limits (see § 679.21(f)), and any taken during the experiment would be counted but would not accrue toward the Chinook salmon PSC limits. However, the EFP applicants expect minimal amounts of Chinook as bycatch because encounters with Chinook salmon is extremely rare in summer when fishing under the EFP will occur.

Due to interannual variability of bycatch rates and differences in locations between the pollock fishery and EFP fishing locations, it is challenging to predict how many additional chum salmon might be caught as a result of this EFP. The applicant estimates that chum bycatch

during this EFP would be in the range of 150–1,500 fish.

### Exemptions

To meet the proposed EFP's objective, exemptions would be necessary from regulations for salmon bycatch management, closure areas, and TACs for groundfish, and PSC limits for the pollock fishery. This will include exemptions to regulations such as, but not limited to:

- 50 CFR 679.22(a)(5): prohibits Catcher/Processor from directed fishing in Catcher Vessel Operational Area (CVOA) for pollock during the B season unless it is directed fishing for Pollock CDQ,
- § 679.21(a)(2)(i): requirement to minimize catch of prohibited species,
- § 679.2 "Authorized fishing gear", paragraph (14): definition of pelagic trawl, and
- Other regulations as identified through Council consultation, public comments, or partner agencies.

All EFP vessels will comply with observer requirements at § 679.50. Participating EFP catcher vessels in the trawl EM category will comply with regulations at § 679.51(g) and will work with NMFS on sampling procedures that allow for EFP data collection.

### Permit Conditions, Review, and Effects

If issued, the exempted fishing permit would contain several conditions. Within 6 months of the end of EFP fishing, the applicant would be required to submit to NMFS a final report that describes how well EFP objectives were accomplished, including a summary of the vessels participating, any problems and successes, and the total catch of each groundfish species in metric tons and the total number of each salmon species caught during EFP fishing. The Alaska Fisheries Science Center (AFSC) reviewed a draft EFP application that was submitted on September 1, 2024 and supports this application with several modifications. All AFSC-recommended modifications have been addressed by the applicants in their final EFP application. In addition to modifications, the AFSC offered additional feedback and items to consider, and this feedback has been incorporated in the final EFP application submitted to NMFS.

The activities that would be conducted under this EFP involve the development and testing of salmon excluders in order to minimize salmon bycatch, particularly chum salmon, and is limited in size, magnitude, and duration with no potential for significant individual or cumulative impacts, as detailed in the draft

categorical exclusion for this action (see **ADDRESSES**).

In accordance with §§ 679.6 and 600.745, NMFS has determined that the application warrants further consideration and has forwarded the application to the Council to initiate consultation. The Council is scheduled to consider the EFP application during its April 2025 meeting, which will be held virtually. The applicant has been invited to speak in support of the application.

### Public Comments

Interested persons may comment on the application during the April 2025 Council meeting during public testimony or the Federal eRulemaking Portal (see **ADDRESSES**) until *[insert date 15 days after date of publication in the FEDERAL REGISTER]*, when the comment period ends. Information regarding the meeting is available at the Council's website at <http://www.npfmc.org>. Copies of the application and categorical exclusion are available for review from NMFS (see **ADDRESSES**). Comments may also be submitted directly to NMFS (see **ADDRESSES**) by the end of the comment period (see **DATES**).

*Authority:* 16 U.S.C. 1801 *et seq.*

Dated: March 24, 2025.

Karen H. Abrams,

*Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.*

[FR Doc. 2025–05261 Filed 3–26–25; 8:45 am]

**BILLING CODE 3510–22–P**

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

[RTID 0648–XE729]

### Endangered and Threatened Species; Take of Anadromous Fish

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Notice; receipt of application for an enhancement permit.

**SUMMARY:** Notice is hereby given that NMFS has received one enhancement permit renewal application (permit 14741–2R) from the Monterey Peninsula Water Management District (District) to implement their revised Carmel River Rescue Rearing and Management Plan (RRMP). The application and RRMP have been submitted per the Endangered Species Act (ESA) of 1973, as amended. NMFS is furnishing this notice in order to allow other agencies, Tribes, and the public an opportunity to

review and submit to NMFS written data, views, or arguments with respect to the taking or to other activities proposed in the application, or to request a hearing in connection with the action to be taken thereon. The documents are available on the internet at: [https://apps.nmfs.noaa.gov/preview/preview\\_open\\_for\\_comment.cfm](https://apps.nmfs.noaa.gov/preview/preview_open_for_comment.cfm).

**DATES:** Written comments on the RRMP must be received at the appropriate address (see **ADDRESSES** section) no later than 5 p.m. Pacific Standard Time on April 28, 2025.

**ADDRESSES:** You may submit comments on the permit application by the following methods:

- *Email:* Submit to [joel.casagrande@noaa.gov](mailto:joel.casagrande@noaa.gov) and include "Permit 1474–2R" in the subject line.

- *Mail:* Submit written comments to the National Marine Fisheries Service, West Coast Region, California Coastal Office, 777 Sonoma Avenue, Room 325, Santa Rosa, California 95404; Attention: Joel Casagrande.

**FOR FURTHER INFORMATION CONTACT:** Joel Casagrande, 707–575–6016, [joel.casagrande@noaa.gov](mailto:joel.casagrande@noaa.gov).

### SUPPLEMENTARY INFORMATION:

### ESA-Listed Species Covered in This Notice

Steelhead (*Oncorhynchus mykiss*): Threatened, South-Central California Coast (S–CCC) Distinct Population Segment.

### Background

The District has applied for an enhancement permit under section 10(a)(1)(A) of the ESA for a period of 10 years that would allow take of juvenile and adult S–CCC steelhead pursuant to an RRMP, which was developed with technical assistance from NMFS. The objective of the District's program is to assist with the restoration, conservation, and maintenance of the steelhead population in the Carmel River watershed as mitigation for environmental impacts caused by diversion of surface and subsurface streamflow in the lower 24 miles of the mainstem Carmel River in Monterey County, California. The program which was initiated in 1997, was necessary to ensure compliance with California Environmental Quality Act from the environmental impacts of California American Water Company's water withdrawals.

The RRMP will be implemented as an enhancement program at the Sleepy Hollow Rearing Facility (Facility); actions taken pursuant to the permit are designed to enhance survival of S–CCC steelhead that are subject to annual low-

flow river dry-back in the Carmel River and tributaries. The RRMP incorporates three main components: (1) rescue and relocation activities; (2) captive rearing activities; and (3) subsequent post-release monitoring. There is no captive spawning (*i.e.*, artificial propagation) of steelhead held at the facility. Activities that would constitute take of S-CCC steelhead include: capture, handling and transport, tagging, and temporary rearing in captivity. The RRMP includes measures to minimize the likelihood of ecologic effects to naturally produced S-CCC steelhead resulting from operations at the facility, and rescue and relocation activities. Post-release monitoring activities conducted by the District will collect necessary data to document achievement of performance indicators specified in the RRMP. For a more detailed discussion of these activities, please see the application 14741-2R.

#### Authority

Section 9 of the ESA and Federal regulations prohibit the taking of a species listed as endangered or threatened. The ESA defines “take” to mean harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct. NMFS may issue permits for scientific purposes or for the enhancement of the propagation or survival of the affected endangered or threatened species authorizing the taking, importation, or other acts otherwise prohibited by section 9 of the ESA (50 CFR 222.308). The final permit decision will not be made until after the end of the 30-day public review period. NMFS will publish notice of its final action in the **Federal Register**.

Dated: March 24, 2024.

**Lisa Manning,**

*Acting Chief, Endangered Species Division,  
Office of Protected Resources, National  
Marine Fisheries Service.*

[FR Doc. 2025-05258 Filed 3-26-25; 8:45 am]

BILLING CODE 3510-22-P

## ENVIRONMENTAL PROTECTION AGENCY

[EPA-HQ-OPP-2025-0024; FRL-12473-01-  
OCSPP]

### Pesticide Product Registration; Receipt of Applications for New Active Ingredients (January 2025)

**AGENCY:** Environmental Protection  
Agency (EPA).

**ACTION:** Notice.

**SUMMARY:** This document announces the  
Agency's receipt of applications to

register pesticide products containing  
active ingredients not included in any  
currently registered pesticide products.  
EPA is hereby providing notice of  
receipt and opportunity to comment on  
these applications.

**DATES:** Comments must be received on  
or before April 28, 2025.

**ADDRESSES:** Submit your comments,  
identified by the docket identification  
(ID) number and the *EPA File Symbol* or  
the *EPA Registration Number* of interest  
as shown in Unit II. of this document,  
online at <https://www.regulations.gov>.  
Follow the online instructions for  
submitting comments. Do not submit  
electronically any information you  
consider to be Confidential Business  
Information (CBI) or other information  
whose disclosure is restricted by statute.  
Additional instructions on commenting  
and visiting the docket, along with more  
information about dockets generally, is  
available at [https://www.epa.gov/  
dockets](https://www.epa.gov/dockets).

**FOR FURTHER INFORMATION CONTACT:**  
Each application summary in Unit II.  
specifies a contact division. The  
appropriate division contacts are  
identified as follows:

- BPPD (Biopesticides and Pollution  
Prevention Division) (Mail Code  
7511M); Madison Le; main telephone  
number: (202) 566-1400; email address:  
[BPPDFRNotices@epa.gov](mailto:BPPDFRNotices@epa.gov).

#### SUPPLEMENTARY INFORMATION:

##### I. Executive Summary

###### A. Does this action apply to me?

This action provides information that  
is directed to the public in general.

###### B. What is the Agency's authority for taking this action?

EPA is taking this action pursuant to  
section 3(c)(4) of the Federal Insecticide,  
Fungicide, and Rodenticide Act  
(FIFRA), 7 U.S.C. 136a(c)(4), and 40 CFR  
152.102.

###### C. What action is the Agency taking?

EPA is hereby providing notice of  
receipt and opportunity to comment on  
applications to register pesticide  
products containing active ingredients  
not included in any currently registered  
pesticide products that were received  
during the covered period. Notice of  
receipt of these applications does not  
imply a decision by the Agency on these  
applications. For actions being  
evaluated under EPA's public  
participation process for registration  
actions, there will be an additional  
opportunity for public comment on the  
proposed decisions. Please see EPA's  
public participation website for

additional information on this process  
([https://www.epa.gov/registration/  
public-participation-process-  
registration-actions](https://www.epa.gov/registration/public-participation-process-registration-actions)).

###### D. What should I consider as I prepare my comments for EPA?

1. *Submitting CBI.* Do not submit CBI  
to EPA through [https://  
www.regulations.gov](https://www.regulations.gov) or email. If you  
wish to include CBI in your comment,  
please follow the applicable instructions  
at [https://www.epa.gov/dockets/  
commenting-epa-dockets#rules](https://www.epa.gov/dockets/commenting-epa-dockets#rules) and  
clearly mark the information that you  
claim to be CBI. In addition to one  
complete version of the comment that  
includes CBI, a copy of the comment  
without CBI must be submitted for  
inclusion in the public docket.  
Information marked as CBI will not be  
disclosed except in accordance with  
procedures set forth in 40 CFR part 2.

2. *Tips for preparing your comments.*  
When preparing and submitting your  
comments, see the commenting tips at  
<https://www.epa.gov/epa-dockets>.

## II. Registration Applications Received

This unit provides the following  
information about the applications  
received during this period: The EPA  
File Symbol or Registration number(s);  
EPA docket ID number for the  
application; Name and address of the  
applicant; Name of the active  
ingredient, product type and proposed  
uses; and the division to contact for that  
application. Additional information  
about the application may also be  
available in the related docket for the  
application as identified in this unit.

#### Notice of Receipt—New Active Ingredients

- *File Symbol:* 67979-UL. *Docket ID  
number:* EPA-HQ-OPP-2025-0048.  
*Applicant:* Syngenta Seeds, LLC.—Field  
Crops—NAFTA, 9 Davis Drive, Research  
Triangle Park, NC 27709. *Product name:*  
MZIR260 Corn. *Active ingredient:*  
Insecticidal plant-incorporated  
protectant—*Bacillus thuringiensis*  
eCry1Gb.1lg protein and the genetic  
material (vector pSYN24795) necessary  
for its production in MZIR260 Corn  
(SYN-002600-3) at <0.03880%.

*Proposed use:* Corn. *Contact:* BPPD.

- *File Symbol:* 8917-L. *Docket ID  
number:* EPA-HQ-OPP-2024-0101.  
*Applicant:* J.R. Simplot Company, 5369  
W Irving St., Boise, ID 83706. *Product  
name:* BG25 late blight + Potato virus Y  
(PVY) protection. *Active ingredient:*  
Plant-incorporated protectant—PVY  
coat protein DNA inverted repeat at 4.2  
× 10<sup>-6</sup>%. *Proposed use:* Potato. *Contact:*  
BPPD.

*Authority:* 7 U.S.C. 136 *et seq.*

Dated: March 24, 2025.

**Kimberly Smith,**

*Acting Director, Information Technology and Resources Management Division, Office of Program Support.*

[FR Doc. 2025-05275 Filed 3-26-25; 8:45 am]

**BILLING CODE 6560-50-P**

## FEDERAL RESERVE SYSTEM

### Proposed Agency Information Collection Activities; Comment Request

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

**ACTION:** Notice, request for comment.

**SUMMARY:** The Board of Governors of the Federal Reserve System (Board) invites comment on a proposal to extend for three years, without revision the Notice Claiming Status as an Exempted Transfer Agent (FR 4013; OMB No. 7100-0137).

**DATES:** Comments must be submitted on or before May 27, 2025.

**ADDRESSES:** You may submit comments, identified by FR 4013, by any of the following methods:

- *Agency Website:* <https://www.federalreserve.gov/>. Follow the instructions for submitting comments, including attachments. *Preferred method.*
- *Mail:* Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW, Washington, DC 20551.
- *Hand Delivery/Courier:* Same as mailing address.
- *Other Means:* [publiccomments@frb.gov](mailto:publiccomments@frb.gov). You must include the OMB number or the FR number in the subject line of the message.

Comments received are subject to public disclosure. In general, comments received will be made available on the Board's website at <https://www.federalreserve.gov/apps/proposals/> without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would be not appropriate for public disclosure. Public comments may also be viewed electronically or in person in Room M-4365A, 2001 C St. NW, Washington, DC 20551, between 9 a.m. and 5 p.m. during Federal business weekdays.

Additionally, commenters may send a copy of their comments to the Office of Management and Budget (OMB) Desk

Officer for the Federal Reserve Board, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street NW, Washington, DC 20503, or by fax to (202) 395-6974.

#### FOR FURTHER INFORMATION CONTACT:

Federal Reserve Board Clearance Officer—Nuha Elmaghribi—Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, [nuha.elmaghribi@frb.gov](mailto:nuha.elmaghribi@frb.gov), (202) 452-3884.

**SUPPLEMENTARY INFORMATION:** On June 15, 1984, OMB delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collections of information conducted or sponsored by the Board. In exercising this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a collection of information, the Board will consider all comments received from the public and other agencies.

During the comment period for this proposal, a copy of the proposed PRA OMB submission, including the draft reporting form and instructions, supporting statement (which contains more detail about the information collection and burden estimates than this notice), and other documentation, will be made available on the Board's public website at <https://www.federalreserve.gov/apps/reportingforms/review> or may be requested from the agency clearance officer, whose name appears above. On the page displayed at the link above, you can find the supporting information by referencing the collection identifier, FR 4013. Final versions of these documents will be made available at <https://www.reginfo.gov/public/do/PRAMain>, if approved.

#### Request for Comment on Information Collection Proposal

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

a. Whether the proposed collection of information is necessary for the proper performance of the Board's functions, including whether the information has practical utility;

b. The accuracy of the Board's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;

c. Ways to enhance the quality, utility, and clarity of the information to be collected;

d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and

e. Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Board should modify the proposal.

#### Proposal Under OMB Delegated Authority To Extend for Three Years, Without Revision, the Following Information Collection

*Collection title:* Notice Claiming Status as an Exempt Transfer Agent.

*Collection identifier:* FR 4013.

*OMB control number:* 7100-0137.

*General description of collection:* Transfer agents, which are institutions that provide securities transfer, registration, monitoring, and other specified services on behalf of securities issuers, are generally subject to certain Securities and Exchange Commission (SEC) regulations. However, a transfer agent that is regulated by and registered with the Board (a Board-regulated transfer agent) may request an exemption from those regulations if it transfers and processes a low volume of securities. A transfer agent is Board-regulated if it is a state member bank or a subsidiary thereof, a bank holding company, or a savings and loan holding company. A Board-regulated transfer agent may request an exemption from the SEC regulations by filing with the Board a notice certifying that it qualifies as a low-volume transfer agent. In addition, a Board-regulated low-volume transfer agent that no longer meets the requirements of being a low-volume transfer agent must notify the Board of that fact.

*Frequency:* Event-generated.

*Respondents:* Board-regulated transfer agents.

*Total estimated number of respondents:* 2.

*Total estimated annual burden hours:* 4.

Board of Governors of the Federal Reserve System, March 24 2025.

**Benjamin W. McDonough,**

*Deputy Secretary and Ombuds of the Board.*

[FR Doc. 2025-05234 Filed 3-26-25; 8:45 am]

**BILLING CODE 6210-01-P**

**FEDERAL RESERVE SYSTEM****Proposed Agency Information Collection Activities; Comment Request**

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

**ACTION:** Notice, request for comment.

**SUMMARY:** The Board of Governors of the Federal Reserve System (Board) invites comment on a proposal to extend for three years, with revision, the Selected Balance Sheet Items for Discount Window Borrowers (FR 2046; OMB No. 7100–0289).

**DATES:** Comments must be submitted on or before May 27, 2025.

**ADDRESSES:** You may submit comments, identified by FR 2046, by any of the following methods:

- *Agency Website:* <https://www.federalreserve.gov/>. Follow the instructions for submitting comments, including attachments. *Preferred method.*
- *Mail:* Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW, Washington, DC 20551.
- *Hand Delivery/Courier:* Same as mailing address.
- *Other Means:* [publiccomments@frb.gov](mailto:publiccomments@frb.gov). You must include the OMB number or the FR number in the subject line of the message.

Comments received are subject to public disclosure. In general, comments received will be made available on the Board's website at <https://www.federalreserve.gov/apps/proposals/> without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would be not appropriate for public disclosure. Public comments may also be viewed electronically or in person in Room M–4365A, 2001 C St. NW, Washington, DC 20551, between 9 a.m. and 5 p.m. during Federal business weekdays.

Additionally, commenters may send a copy of their comments to the Office of Management and Budget (OMB) Desk Officer for the Federal Reserve Board, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street NW, Washington, DC 20503, or by fax to (202) 395–6974.

**FOR FURTHER INFORMATION CONTACT:** Federal Reserve Board Clearance

Officer—Nuha Elmaghrabi—Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, [nuha.elmaghrabi@frb.gov](mailto:nuha.elmaghrabi@frb.gov), (202) 452–3884.

**SUPPLEMENTARY INFORMATION:** On June 15, 1984, OMB delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collections of information conducted or sponsored by the Board. In exercising this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a collection of information, the Board will consider all comments received from the public and other agencies.

During the comment period for this proposal, a copy of the proposed PRA OMB submission, including the draft reporting form and instructions, supporting statement (which contains more detail about the information collection and burden estimates than this notice), and other documentation, will be made available on the Board's public website at <https://www.federalreserve.gov/apps/reportingforms/review> or may be requested from the agency clearance officer, whose name appears above. On the page displayed at the link above, you can find the supporting information by referencing the collection identifier, FR 2046. Final versions of these documents will be made available at <https://www.reginfo.gov/public/do/PRAMain>, if approved.

**Request for Comment on Information Collection Proposal**

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Board's functions, including whether the information has practical utility;
- b. The accuracy of the Board's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;
- c. Ways to enhance the quality, utility, and clarity of the information to be collected;
- d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- e. Estimates of capital or startup costs and costs of operation, maintenance,

and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Board should modify the proposal.

**Proposal Under OMB Delegated Authority To Extend for Three Years, With Revision, the Following Information Collection**

*Collection title:* Selected Balance Sheet Items for Discount Window Borrowers.

*Collection identifier:* FR 2046.

*OMB control number:* 7100–0289.

*General description of collection:* The Board's Regulation A—Extensions of Credit by Federal Reserve Banks (12 CFR part 201) states that a Reserve Bank shall require any information it believes appropriate or desirable to ensure that each discount window borrower uses the credit provided in a manner consistent with Regulation A. Regulation A also requires that each Reserve Bank shall keep itself informed of the general character and amount of loans and investments of a depository institution. Balance sheet data are collected on the FR 2046 report from certain institutions that borrow from the discount window in order to monitor discount window borrowing.

*Proposed revisions:* The Board proposes to revise the FR 2046 by removing the reporting exemption for seasonal credit borrowers that report total securities, federal funds sold and resale agreements, total loans, total deposits, and total assets weekly on the Weekly Report of Selected Assets and Liabilities of Domestically Chartered Commercial Banks and U.S. Branches and Agencies of Foreign Banks (FR 2644; OMB No. 7100–0075).

*Frequency:* Weekly.

*Respondents:* Depository institutions.

*Total estimated number of respondents:* 27.

*Total estimated change in burden:* 0.

*Total estimated annual burden hours:* 143.

Board of Governors of the Federal Reserve System, March 24, 2025.

**Benjamin W. McDonough,**

*Deputy Secretary and Ombuds of the Board.*

[FR Doc. 2025–05231 Filed 3–26–25; 8:45 am]

**BILLING CODE 6210–01–P**

**FEDERAL RESERVE SYSTEM****Proposed Agency Information Collection Activities; Comment Request**

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

**ACTION:** Notice, request for comment.

**SUMMARY:** The Board of Governors of the Federal Reserve System (Board) invites comment on a proposal to extend for three years, without revision, the Request for Extension of Time to Dispose of Assets Acquired in Satisfaction of Debts Previously Contracted (FR 4006; OMB No. 7100–0129).

**DATES:** Comments must be submitted on or before May 27, 2025.

**ADDRESSES:** You may submit comments, identified by FR 4006, by any of the following methods:

- *Agency Website:* <https://www.federalreserve.gov/>. Follow the instructions for submitting comments, including attachments. *Preferred method.*
- *Mail:* Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW, Washington, DC 20551.
- *Hand Delivery/Courier:* Same as mailing address.
- *Other Means:* [publiccomments@frb.gov](mailto:publiccomments@frb.gov). You must include the OMB number or the FR number in the subject line of the message.

Comments received are subject to public disclosure. In general, comments received will be made available on the Board's website at <https://www.federalreserve.gov/apps/proposals/> without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would be not appropriate for public disclosure. Public comments may also be viewed electronically or in person in Room M–4365A, 2001 C St. NW, Washington, DC 20551, between 9 a.m. and 5 p.m. during Federal business weekdays.

Additionally, commenters may send a copy of their comments to the Office of Management and Budget (OMB) Desk Officer for the Federal Reserve Board, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street NW, Washington, DC 20503, or by fax to (202) 395–6974.

**FOR FURTHER INFORMATION CONTACT:** Federal Reserve Board Clearance Officer—Nuha Elmaghrabi—Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, [nuha.elmaghrabi@frb.gov](mailto:nuha.elmaghrabi@frb.gov), (202) 452–3884.

**SUPPLEMENTARY INFORMATION:** On June 15, 1984, OMB delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collections of information conducted or sponsored by the Board. In exercising this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a collection of information, the Board will consider all comments received from the public and other agencies.

During the comment period for this proposal, a copy of the proposed PRA OMB submission, including the draft reporting form and instructions, supporting statement (which contains more detail about the information collection and burden estimates than this notice), and other documentation, will be made available on the Board's public website at <https://www.federalreserve.gov/apps/reportingforms/review> or may be requested from the agency clearance officer, whose name appears above. On the page displayed at the link above, you can find the supporting information by referencing the collection identifier, FR 4006. Final versions of these documents will be made available at <https://www.reginfo.gov/public/do/PRAMain>, if approved.

#### Request for Comment on Information Collection Proposal

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Board's functions, including whether the information has practical utility;
- b. The accuracy of the Board's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;
- c. Ways to enhance the quality, utility, and clarity of the information to be collected;
- d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- e. Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine

the extent to which the Board should modify the proposal.

#### Proposal Under OMB Delegated Authority To Extend for Three Years, Without Revision, the Following Information Collection

*Collection title:* Request for Extension of Time to Dispose of Assets Acquired in Satisfaction of Debts Previously Contracted.

*Collection identifier:* FR 4006.

*OMB control number:* 7100–0129.

*General description of collection:* The Bank Holding Company Act of 1956 and the Board's Regulation Y—Bank Holding Companies and Change in Bank Control (12 CFR part 225) require a bank holding company (BHC) that, either through foreclosure or otherwise in the ordinary course of collecting a debt previously contracted (DPC), acquired voting securities of a bank or BHC or the securities or assets of a company engaged in a nonbanking activity, to seek prior Board approval in order to retain ownership of those shares or assets for more than two years.

No application form exists for a BHC to retain banking or nonbanking DPC property for more than two years. However, a BHC seeking an extension generally submits a letter to the appropriate Reserve Bank that states the relevant facts; discusses why the extension should be approved; provides other information such as the efforts made, to date, to effect divestiture (including reasons for any delay in the pace of divestiture); and includes financial and descriptive data with respect to the DPC assets as well as the sales price of any related divested assets.

*Frequency:* Event-generated.

*Respondents:* BHCs.

*Total estimated number of respondents:* 64.

*Total estimated annual burden hours:* 284.

Board of Governors of the Federal Reserve System, March 24, 2025.

**Benjamin W. McDonough,**

*Deputy Secretary and Ombuds of the Board.*

[FR Doc. 2025–05236 Filed 3–26–25; 8:45 am]

**BILLING CODE 6210–01–P**

#### FEDERAL RESERVE SYSTEM

#### Proposed Agency Information Collection Activities; Comment Request

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

**ACTION:** Notice, request for comment.

**SUMMARY:** The Board of Governors of the Federal Reserve System (Board) invites

comment on a proposal to extend for three years, without revision, the Notice of Proposed Stock Redemption (FR 4008; OMB No. 7100–0131).

**DATES:** Comments must be submitted on or before May 27, 2025.

**ADDRESSES:** You may submit comments, identified by FR 4008, by any of the following methods:

- **Agency Website:** <https://www.federalreserve.gov/>. Follow the instructions for submitting comments, including attachments. *Preferred method.*
- **Mail:** Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW, Washington, DC 20551.
- **Hand Delivery/Courier:** Same as mailing address.
- **Other Means:** [publiccomments@frb.gov](mailto:publiccomments@frb.gov). You must include the OMB number or the FR number in the subject line of the message.

Comments received are subject to public disclosure. In general, comments received will be made available on the Board's website at <https://www.federalreserve.gov/apps/proposals/> without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would be not appropriate for public disclosure. Public comments may also be viewed electronically or in person in Room M–4365A, 2001 C St. NW, Washington, DC 20551, between 9 a.m. and 5 p.m. during Federal business weekdays.

Additionally, commenters may send a copy of their comments to the Office of Management and Budget (OMB) Desk Officer for the Federal Reserve Board, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street NW, Washington, DC 20503, or by fax to (202) 395–6974.

**FOR FURTHER INFORMATION CONTACT:** Federal Reserve Board Clearance Officer—Nuha Elmaghrabi—Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, [nuha.elmaghrabi@frb.gov](mailto:nuha.elmaghrabi@frb.gov), (202) 452–3884.

**SUPPLEMENTARY INFORMATION:** On June 15, 1984, OMB delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collections of information conducted or sponsored by the Board. In exercising

this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a collection of information, the Board will consider all comments received from the public and other agencies.

During the comment period for this proposal, a copy of the proposed PRA OMB submission, including the draft reporting form and instructions, supporting statement (which contains more detail about the information collection and burden estimates than this notice), and other documentation, will be made available on the Board's public website at <https://www.federalreserve.gov/apps/reportingforms/review> or may be requested from the agency clearance officer, whose name appears above. On the page displayed at the link above, you can find the supporting information by referencing the collection identifier, FR 4008. Final versions of these documents will be made available at <https://www.reginfo.gov/public/do/PRAMain>, if approved.

#### Request for Comment on Information Collection Proposal

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

a. Whether the proposed collection of information is necessary for the proper performance of the Board's functions, including whether the information has practical utility;

b. The accuracy of the Board's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;

c. Ways to enhance the quality, utility, and clarity of the information to be collected;

d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and

e. Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Board should modify the proposal.

#### Proposal Under OMB Delegated Authority To Extend for Three Years, Without Revision, the Following Information Collection

*Collection title:* Notice of Proposed Stock Redemption.

*Collection identifier:* FR 4008.

*OMB control number:* 7100–0131.

*General description of collection:* The Bank Holding Company Act of 1956 and the Board's Regulation Y—Bank Holding Companies and Change in Bank Control (12 CFR part 225) require a bank holding company (BHC), under certain circumstances, to seek the prior approval of the Board before purchasing or redeeming its equity securities. Due to the limited information that a BHC must provide in connection with any such request, there is no required reporting form, and each request for prior approval is generally filed 30 days before the proposed stock purchase or redemption as a notification with the Reserve Bank that has direct supervisory responsibility for the requesting BHC. The Federal Reserve uses the information provided in the redemption notice to supervise BHCs.

*Frequency:* Event-generated.

*Respondents:* BHCs.

*Total estimated number of respondents:* 2.

*Total estimated annual burden hours:* 31.

Board of Governors of the Federal Reserve System, March 24, 2025.

**Benjamin W. McDonough,**

*Deputy Secretary and Ombuds of the Board.*

[FR Doc. 2025–05232 Filed 3–26–25; 8:45 am]

**BILLING CODE 6210–01–P**

#### FEDERAL RESERVE SYSTEM

##### Agency Information Collection Activities: Announcement of Board Approval Under Delegated Authority and Submission to OMB

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

**SUMMARY:** The Board of Governors of the Federal Reserve System (Board) is adopting a proposal to extend for three years, with revision, the Report of Selected Assets and Liabilities of Domestically Chartered Commercial Banks and U.S. Branches and Agencies of Foreign Banks (FR 2644; OMB No. 7100–0075).

**DATES:** The revisions are effective April 2, 2025.

**FOR FURTHER INFORMATION CONTACT:** Federal Reserve Board Clearance Officer—Nuha Elmaghrabi—Office of the Chief Data Officer, Board of Governors of the Federal Reserve

System, [nuha.elmaghrabi@frb.gov](mailto:nuha.elmaghrabi@frb.gov), (202) 452-3884.

Office of Management and Budget (OMB) Desk Officer for the Federal Reserve Board, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street NW, Washington, DC 20503, or by fax to (202) 395-6974.

**SUPPLEMENTARY INFORMATION:** On June 15, 1984, OMB delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collections of information conducted or sponsored by the Board. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. The OMB inventory, as well as copies of the PRA Submission, supporting statements (which contain more detailed information about the information collections and burden estimates than this notice), and approved collection of information instrument(s) are available at <https://www.reginfo.gov/public/do/PRAMain>. These documents are also available on the Federal Reserve Board's public website at <https://www.federalreserve.gov/apps/reportingforms/review> or may be requested from the agency clearance officer, whose name appears above. On the page displayed at the link above, you can find the supporting information by referencing the collection identifier, FR 2644.

#### Final Approval Under OMB Delegated Authority of the Extension for Three Years, With Revision, of the Following Information Collection

**Collection title:** Report of Selected Assets and Liabilities of Domestically Chartered Commercial Banks and U.S. Branches and Agencies of Foreign Banks.

**Collection identifier:** FR 2644.

**OMB control number:** 7100-0075.

**General description of collection:** The FR 2644 is a balance sheet report that is collected as of each Wednesday from an authorized stratified sample of 850 domestically chartered commercial banks and U.S. branches and agencies of foreign banks. The FR 2644 is the only source of high-frequency data used in the analysis of current banking developments. The FR 2644 collects sample data that are used to estimate universe levels for the entire commercial banking sector in conjunction with data from the quarterly commercial bank Consolidated Reports of Condition and Income (FFIEC 031, FFIEC 041, and FFIEC 051; OMB

No. 7100-0036) and Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002; OMB No. 7100-0032) (Call Reports). Data from the FR 2644 and the Call Reports are utilized in construction of weekly estimates of U.S. bank credit, balance sheet data for the U.S. commercial banking sector, and sources and uses of banks' funds, and to analyze current banking developments, including the monitoring of broad credit and funding conditions. The Board publishes the data in aggregate form in the weekly H.8 statistical release, *Assets and Liabilities of Commercial Banks in the United States*, which is followed closely by other government agencies, the banking industry, financial press, and other users. The H.8 release provides a balance sheet for the commercial banking industry as a whole as well as disaggregated data for three bank groups: large domestically chartered banks, small domestically chartered banks, and U.S. branches and agencies of foreign banks. The data are also used in constructing the commercial bank component of the Federal Reserve's G.19 release, *Consumer Credit*, and the Federal Reserve Bank of New York's Reserve Demand Elasticity.

**Frequency:** Weekly, monthly.

**Respondents:** Domestically chartered commercial banks, U.S. branches and agencies of foreign banks.

**Total estimated number of respondents:** 850.

**Estimated average hours per response:** 2.45.

**Total estimated change in burden:** (57,722).

**Total estimated annual burden hours:** 50,568.

**Current actions:** On November 15, 2024, the Board published a notice in the **Federal Register** (89 FR 90288) requesting public comment for 60 days on the extension, with revision, of the FR 2644. The Board proposed to revise the FR 2644 by allowing banks under \$5 billion in total assets as of the previous June 30 Call Report the option of reporting one week per month with data as of the first Wednesday of the month. The comment period for this notice expired on January 14, 2025. The Board did not receive any comments. The revisions will be implemented as proposed.

Board of Governors of the Federal Reserve System, March 24, 2025.

**Benjamin W. McDonough,**

*Deputy Secretary and Ombuds of the Board.*

[FR Doc. 2025-05233 Filed 3-26-25; 8:45 am]

**BILLING CODE 6210-01-P**

## FEDERAL RESERVE SYSTEM

### Proposed Agency Information Collection Activities; Comment Request

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

**ACTION:** Notice, request for comment.

**SUMMARY:** The Board of Governors of the Federal Reserve System (Board) invites comment on a proposal to extend for three years, without revision, the Written Security Program for State Member Banks (FR 4004; OMB No. 7100-0112).

**DATES:** Comments must be submitted on or before May 27, 2025.

**ADDRESSES:** You may submit comments, identified by FR 4004, by any of the following methods:

- **Agency Website:** <https://www.federalreserve.gov/>. Follow the instructions for submitting comments, including attachments. *Preferred method.*
- **Mail:** Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW, Washington, DC 20551.
- **Hand Delivery/Courier:** Same as mailing address.
- **Other Means:** [publiccomments@frb.gov](mailto:publiccomments@frb.gov). You must include the OMB number or the FR number in the subject line of the message.

Comments received are subject to public disclosure. In general, comments received will be made available on the Board's website at <https://www.federalreserve.gov/apps/proposals/> without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would be not appropriate for public disclosure. Public comments may also be viewed electronically or in person in Room M-4365A, 2001 C St. NW, Washington, DC 20551, between 9 a.m. and 5 p.m. during Federal business weekdays.

Additionally, commenters may send a copy of their comments to the Office of Management and Budget (OMB) Desk Officer for the Federal Reserve Board, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street NW, Washington, DC 20503, or by fax to (202) 395-6974.

**FOR FURTHER INFORMATION CONTACT:** Federal Reserve Board Clearance

Officer—Nuha Elmaghrabi—Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, [nuha.elmaghrabi@frb.gov](mailto:nuha.elmaghrabi@frb.gov), (202) 452-3884.

**SUPPLEMENTARY INFORMATION:** On June 15, 1984, OMB delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collections of information conducted or sponsored by the Board. In exercising this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a collection of information, the Board will consider all comments received from the public and other agencies.

During the comment period for this proposal, a copy of the proposed PRA OMB submission, including the draft reporting form and instructions, supporting statement (which contains more detail about the information collection and burden estimates than this notice), and other documentation, will be made available on the Board's public website at <https://www.federalreserve.gov/apps/reportingforms/review> or may be requested from the agency clearance officer, whose name appears above. On the page displayed at the link above, you can find the supporting information by referencing the collection identifier, FR 4004. Final versions of these documents will be made available at <https://www.reginfo.gov/public/do/PRAMain>, if approved.

#### Request for Comment on Information Collection Proposal

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

a. Whether the proposed collection of information is necessary for the proper performance of the Board's functions, including whether the information has practical utility;

b. The accuracy of the Board's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;

c. Ways to enhance the quality, utility, and clarity of the information to be collected;

d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and

e. Estimates of capital or startup costs and costs of operation, maintenance,

and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Board should modify the proposal.

#### Proposal Under OMB Delegated Authority To Extend for Three Years, Without Revision, the Following Information Collection

*Collection title:* Written Security Program for State Member Banks.

*Collection identifier:* FR 4004.

*OMB control number:* 7100-0112.

*General description of collection:* FR 4004 arises from a recordkeeping requirement contained in section 208.61 of the Board's Regulation H—Membership of State Banking Institutions in the Federal Reserve System (12 CFR 208), which requires each state member bank to develop and maintain a written security program for the bank's main office and branches within 180 days of becoming a member of the Federal Reserve System. A written security program contains minimum standards needed to deter crimes against financial institutions and assist in the apprehension of perpetrators of such crimes.

*Frequency:* On occasion.

*Respondents:* State member banks.

*Total estimated number of respondents:* 14.

*Total estimated annual burden hours:* 70.

Board of Governors of the Federal Reserve System, March 24, 2025.

**Benjamin W. McDonough,**

*Deputy Secretary and Ombuds of the Board.*

[FR Doc. 2025-05235 Filed 3-26-25; 8:45 am]

**BILLING CODE 6210-01-P**

#### DEPARTMENT OF HEALTH AND HUMAN SERVICES

##### National Institutes of Health

##### Center for Scientific Review; Notice of Closed Meeting

Pursuant to section 1009 of the Federal Advisory Committee Act, as amended, notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant

applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

*Name of Committee:* Center for Scientific Review Special Emphasis Panel; Fellowships: Sensory and Motor Neurosciences, Cognition and Perception.

*Date:* April 29–30, 2025.

*Time:* 8:00 a.m. to 7:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Melanie Marie Pina, Scientific Review Officer, The Center for Scientific Review, The National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (301) 594-0718, [melanie.pina@nih.gov](mailto:melanie.pina@nih.gov).

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine; 93.333, Clinical Research, 93.306, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.846–93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: March 23, 2025.

**Melanie J. Pantoja,**

*Program Analyst, Office of Federal Advisory Committee Policy.*

[FR Doc. 2025-05242 Filed 3-26-25; 8:45 am]

**BILLING CODE 4140-01-P**

#### DEPARTMENT OF HEALTH AND HUMAN SERVICES

##### National Institutes of Health

##### National Institute of Allergy and Infectious Diseases; Notice of Closed Meeting

Pursuant to section 1009 of the Federal Advisory Committee Act, as amended, notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

*Name of Committee:* National Institute of Allergy and Infectious Diseases Special Emphasis Panel; Support for Research Excellence (SuRE) Award (R16) Clinical Trial Not Allowed) and Support for Research Excellence First Independent Research (SuRE-First) Award (R16—Clinical Trial Not Allowed).

*Date:* April 22–23, 2025.

*Time:* 9:00 a.m. to 5:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institute of Allergy and Infectious Diseases, National Institutes of Health, 903 South 4th Street, RML 09/9204, Hamilton, MT 59840.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Kristin L. McNally, Scientific Review Officer, Scientific Review Program, National Institute of Allergy and Infectious Diseases, National Institutes of Health, 903 South 4th Street, RML 09/9204, Hamilton, MT 59840.

(Catalogue of Federal Domestic Assistance Program Nos. 93.855, Allergy, Immunology, and Transplantation Research; 93.856, Microbiology and Infectious Diseases Research, National Institutes of Health, HHS)

Dated: March 23, 2025.

**Melanie J. Pantoja,**

*Program Analyst, Office of Federal Advisory Committee Policy.*

[FR Doc. 2025-05241 Filed 3-26-25; 8:45 am]

**BILLING CODE 4140-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

#### National Heart, Lung, and Blood Institute; Notice of Meeting

Pursuant to section 1009 of the Federal Advisory Committee Act, as amended, notice is hereby given of a meeting of the National Heart, Lung, and Blood Advisory Council.

The meeting will be held virtually and is open to the public as indicated below. Individuals who plan to attend the virtual meeting and need special assistance, such as sign language interpretation or other reasonable accommodations, should notify the Contact Person listed below in advance of the meeting. The open session will be videocast and can be accessed from the NIH Videocasting and Podcast website <http://videocast.nih.gov/> or <https://www.nhlbi.nih.gov/about/advisory-and-peer-review-committees/advisory-council>.

*Name of Committee:* National Heart, Lung, and Blood Advisory Council.

*Date:* April 23, 2025.

*Open:* 10:20 a.m. to 3:00 p.m.

*Agenda:* To discuss program policies and issues.

*Place:* National Institutes of Health, Rockledge I, 6705 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Virtual Access:* The meeting will be videocast and can be accessed from the NIH Videocast. <http://videocast.nih.gov/> or <https://www.nhlbi.nih.gov/about/advisory-and-peer-review-committees/advisory-council>. Please note, the link to the videocast meeting will be posted within a week of the meeting date.

*Contact Person:* Charisee Lamar, Ph.D., M.P.H., R.R.T., Director, Division of Extramural Research Activities, National Heart, Lung, and Blood Institute, National Institutes of Health, 6705 Rockledge Drive, Room 207-C, Bethesda, MD 20892-7924, (301) 827-5517, [lamarc@mail.nih.gov](mailto:lamarc@mail.nih.gov).

Any member of the public interested in presenting oral comments to the committee may notify the Contact Person listed on this notice at least 10 days in advance of the meeting. Interested individuals and representatives of organizations may submit a letter of intent, a brief description of the organization represented, and a short description of the oral presentation. Only one representative of an organization may be allowed to present oral comments and if accepted by the committee, presentations may be limited to five minutes. Both printed and electronic copies are requested for the record. In addition, any interested person may file written comments with the committee by forwarding their statement to the Contact Person listed on this notice. The statement should include the name, address, telephone number and when applicable, the business or professional affiliation of the interested person.

In the interest of security, NIH has procedures at <https://www.nih.gov/about-nih/visitor-information/campus-access-security> for entrance into on-campus and off-campus facilities. All visitor vehicles, including taxicabs, hotel, and airport shuttles will be inspected before being allowed on campus. Visitors attending a meeting on campus or at an off-campus federal facility will be asked to show one form of identification (for example, a government-issued photo ID, driver's license, or passport) and to state the purpose of their visit.

Information is also available on the Institute's/Center's home page: <https://www.nhlbi.nih.gov/about/advisory-and-peer-review-committees/advisory-council> where an agenda and any additional information for the meeting will be posted when available.

(Catalogue of Federal Domestic Assistance Program Nos. 93.233, National Center for Sleep Disorders Research; 93.837, Heart and Vascular Diseases Research; 93.838, Lung Diseases Research; 93.839, Blood Diseases and Resources Research, National Institutes of Health, HHS)

Dated: March 24, 2025.

**Bruce A. George,**

*Program Analyst, Office of Federal Advisory Committee Policy.*

[FR Doc. 2025-05245 Filed 3-26-25; 8:45 am]

**BILLING CODE 4140-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

#### National Heart, Lung, and Blood Institute; Notice of Closed Meeting

Pursuant to section 1009 of the Federal Advisory Committee Act, as amended, notice is hereby given of a

meeting of the National Heart, Lung, and Blood Advisory Council.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

*Name of Committee:* National Heart, Lung, and Blood Advisory Council.

*Date:* April 23, 2025.

*Time:* 10:00 a.m. to 10:20 a.m.

*Agenda:* To review and evaluate grant applications.

*Place:* National Institutes of Health, 6705 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Charisee Lamar, Ph.D., M.P.H., R.R.T., Division Director, Division of Extramural Research Activities, National Heart, Lung, and Blood Institute, National Institutes of Health, 6705 Rockledge Drive, Room 206-Q, Bethesda, MD 20892-7924, (301) 827-5517, [lamarc@mail.nih.gov](mailto:lamarc@mail.nih.gov).

Information is also available on the Institute's/Center's home page: <https://www.nhlbi.nih.gov/about/advisory-and-peer-review-committees/advisory-council> where an agenda and any additional information for the meeting will be posted when available.

(Catalogue of Federal Domestic Assistance Program Nos. 93.233, National Center for Sleep Disorders Research; 93.837, Heart and Vascular Diseases Research; 93.838, Lung Diseases Research; 93.839, Blood Diseases and Resources Research, National Institutes of Health, HHS)

Dated: March 24, 2025.

**Bruce A. George,**

*Program Analyst, Office of Federal Advisory Committee Policy.*

[FR Doc. 2025-05244 Filed 3-26-25; 8:45 am]

**BILLING CODE 4140-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

#### National Center for Advancing Translational Sciences; Notice of Meeting

Pursuant to section 1009 of the Federal Advisory Committee Act, as amended, notice is hereby given of a meeting of the National Center for Advancing Translational Sciences Advisory Council.

The meeting will be open to the public as indicated below, with attendance limited to space available. Individuals who plan to attend and

need special assistance, such as sign language interpretation or other reasonable accommodations, should notify the Contact Person listed below in advance of the meeting. The Open Session may be accessed by the public from the NIH Videocast at the following link: <https://videocast.nih.gov>.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

*Name of Committee:* National Center for Advancing Translational Sciences Advisory Council.

*Date:* April 17, 2025.

*Closed:* April 17, 2025, 11:00 a.m. to 12:30 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Center for Advancing Translational Sciences, National Institutes of Health, 9609 Medical Center Drive, Room 1E454, Rockville, MD 20892 (Video Assisted Meeting).

*Open:* April 17, 2025, 1:00 p.m. to 3:00 p.m.

*Agenda:* Report from the Center Director, Clearance of Concept(s).

*Address:* National Center for Advancing Translational Sciences, National Institutes of Health, 9609 Medical Center Drive, Room 1E454, Rockville, MD 20892 (Video Assisted Meeting).

*Contact Person:* Anna L. Ramsey-Ewing, Ph.D., Executive Secretary, National Center for Advancing Translational Sciences, 9609 Medical Center Drive, Room 1E454, Rockville, MD 20850, [anna.ramseyewing@nih.gov](mailto:anna.ramseyewing@nih.gov), (301) 435-0809.

Any interested person may file written comments with the committee by forwarding the statement to the Contact Person listed on this notice no later than 15 days after the meeting at [NCATSCouncilInput@mail.nih.gov](mailto:NCATSCouncilInput@mail.nih.gov). The statement should include the name, address, telephone number and when applicable, the business or professional affiliation of the interested person.

In the interest of security, NIH has procedures at <https://www.nih.gov/about-nih/visitor-information/campus-access-security> for entrance into on-campus and off-campus facilities. All visitor vehicles, including taxicabs, hotel, and airport shuttles will be inspected before being allowed on campus. Visitors attending a meeting on campus or at an off-campus federal facility will be asked to show one form of identification (for example, a government-issued photo ID, driver's license, or passport) and to state the purpose of their visit.

Information is also available on the Institute's/Center's home page: <https://>

[ncats.nih.gov/advisory/council](https://ncats.nih.gov/advisory/council), where an agenda and any additional information for the meeting will be posted when available. (Catalogue of Federal Domestic Assistance Program Nos. 93.859, Pharmacology, Physiology, and Biological Chemistry Research; 93.350, B—Cooperative Agreements; 93.859, Biomedical Research and Research Training, National Institutes of Health, HHS)

Dated: March 21, 2025.

**David W. Freeman,**

*Supervisory Program Analyst, Office of Federal Advisory Committee Policy.*

[FR Doc. 2025-05240 Filed 3-26-25; 8:45 am]

**BILLING CODE 4140-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

#### National Institute of Allergy and Infectious Diseases; Notice of Closed Meeting

Pursuant to section 1009 of the Federal Advisory Committee Act, as amended, notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

*Name of Committee:* National Institute of Allergy and Infectious Diseases Special Emphasis Panel; NIAID SBIR (R43/R44), STTR (R41/R42), and SB1 Grant: Microbial Diagnostics, Detection, and Decontamination.

*Date:* April 30–May 2, 2025.

*Time:* 9:30 a.m. to 6:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institute of Allergy and Infectious Diseases, National Institutes of Health, 5601 Fishers Lane, Room 3G41B, Rockville, MD 20892.

*Meeting Format:* Video Assisted Meeting.

*Contact Person:* Zhuqing (Charlie) Li, Ph.D., Scientific Review Officer, Scientific Review Program, National Institute of Allergy and Infectious Diseases, National Institutes of Health, 5601 Fishers Lane, Room 3G41B, Rockville, MD 20892, (240) 669-5068, [zhuqing.li@nih.gov](mailto:zhuqing.li@nih.gov).

(Catalogue of Federal Domestic Assistance Program Nos. 93.855, Allergy, Immunology, and Transplantation Research; 93.856, Microbiology and Infectious Diseases Research, National Institutes of Health, HHS)

Dated: March 23, 2025.

**Melanie J. Pantoja,**

*Program Analyst, Office of Federal Advisory Committee Policy.*

[FR Doc. 2025-05246 Filed 3-26-25; 8:45 am]

**BILLING CODE 4140-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

#### National Institute of Mental Health; Notice of Closed Meeting

Pursuant to section 1009 of the Federal Advisory Committee Act, as amended, notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), title 5 U.S.C., as amended. The contract proposals and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the contract proposals, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

*Name of Committee:* National Institute of Mental Health Special Emphasis Panel; NeuroBioBank Brain and Tissue Repository Contract Proposal Review.

*Date:* April 29, 2025.

*Time:* 9:00 a.m. to 6:00 p.m.

*Agenda:* To review and evaluate contract proposals.

*Address:* National Institutes of Health, Neuroscience Center, 6001 Executive Boulevard, Rockville, MD 20852.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Nicholas Gaiano, Ph.D., Review Branch Chief, Division of Extramural Activities, National Institute of Mental Health, National Institutes of Health, Neuroscience Center, 6001 Executive Boulevard, Bethesda, MD 20892-9606, 301-443-2742, email: [nick.gaiano@nih.gov](mailto:nick.gaiano@nih.gov).

(Catalogue of Federal Domestic Assistance Program No. 93.242, Mental Health Research Grants, National Institutes of Health, HHS)

Dated: March 24, 2025.

**Bruce A. George,**

*Program Analyst, Office of Federal Advisory Committee Policy.*

[FR Doc. 2025-05243 Filed 3-26-25; 8:45 am]

**BILLING CODE 4140-01-P**

## DEPARTMENT OF HOMELAND SECURITY

### Federal Emergency Management Agency

[Docket ID: FEMA–2024–0034; OMB No. 1660–0068]

#### Agency Information Collection Activities: Submission for OMB Review, Comment Request; Federal Hotel and Motel Fire Safety Declaration Form

**AGENCY:** Federal Emergency Management Agency, Department of Homeland Security.

**ACTION:** 30-Day notice of extension and request for comments.

**SUMMARY:** The Federal Emergency Management Agency (FEMA) will submit the information collection abstracted below to the Office of Management and Budget for review and clearance in accordance with the requirements of the Paperwork Reduction Act of 1995. FEMA invites the general public to take this opportunity to comment on an extension, without change, of a currently approved information collection in accordance with the requirements of the Paperwork Reduction Act of 1995, this notice seeks comments concerning a list of hotels, motels, and similar places of public accommodations meeting minimum fire-safety requirements. The information collected is voluntary and if approved for listing, the lodging establishment may be used by Federal employees on government related travel and for Federal agency conferences. As the list is open to use by the public, non-government travelers may use the list to identify lodging meeting minimum life-safety criteria from fire.

**DATES:** Comments must be submitted on or before April 28, 2025.

**ADDRESSES:** Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). Find this particular information collection by selecting “Currently under 30-day Review—Open for Public Comments” or by using the search function.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of the information collection should be made to Director, Information Management Division, 500 C Street SW, Washington, DC 20472, email address [FEMA-Information-Collections-Management@fema.dhs.gov](mailto:FEMA-Information-Collections-Management@fema.dhs.gov) or Teresa

Kaas, Fire Program Specialist, FEMA/ U.S. Fire Administration, 301–447–1263, and [teressa.kaas@fema.dhs.gov](mailto:teressa.kaas@fema.dhs.gov).

**SUPPLEMENTARY INFORMATION:** The Hotel and Motel Fire Safety Act of 1990 (Pub. L. 101–391) requires FEMA to establish and maintain a list of hotels, motels, and similar places of public accommodation meeting minimum requirements for protection of life from fire. This list is known as the National Master List (NML). This law resulted from a series of deadly fires in hotels and motels, occurring in the late 1970’s and 1980’s, with high loss of life. The legislative intent of this public law is to provide all travelers the assurance of fire-safety in accommodations identified on the NML. Public Law 101–391 further stipulates that Federal employees on official travel stay in properties approved by the authority having jurisdiction and listed on the current NML. For statutory reference see 15 U.S.C. 2224–26.

This proposed information collection previously published in the **Federal Register** at 89 FR 99889, Dec. 11, 2024, with a 60-day public comment period. FEMA received zero public comments. The purpose of this notice is to notify the public that FEMA will submit the information collection abstracted below to the Office of Management and Budget for review and clearance.

#### Collection of Information

**Title:** Federal Hotel and Motel Fire Safety Declaration Form.

**Type of Information Collection:** Extension, without change, of a currently approved information collection.

**OMB Number:** 1660–0068.

**FEMA Forms:** FF–USFA–FY–21–112. (formerly FEMA Form 516–0–1).

**Abstract:** FF–USFA–FY–21–112 (formerly FEMA Form 516–0–1) collects basic information on life-safety systems related directly to fire-safety in hotels, motels, and similar places of accommodations applying for inclusion on the National Master List in compliance with the Hotel and Motel Fire Safety Act of 1990 (Pub. L. 101–391). Information is published in the National Master List and is publicly available.

**Affected Public:** Business or other for-profit; State, Local or Tribal Government.

**Estimated Number of Respondents:** 2,021.

**Estimated Number of Responses:** 2,630.

**Estimated Total Annual Burden Hours:** 710.

**Estimated Total Annual Respondent Cost:** \$40,178.

**Estimated Respondents’ Operation and Maintenance Costs:** \$0.

**Estimated Respondents’ Capital and Start-Up Costs:** \$0.

**Estimated Total Annual Cost to the Federal Government:** \$104,267.

#### Comments

Comments may be submitted as indicated in the **ADDRESSES** caption above. Comments are solicited to (a) evaluate whether the proposed data collection is necessary for the proper performance of the Agency, including whether the information shall have practical utility; (b) evaluate the accuracy of the Agency’s estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) enhance the quality, utility, and clarity of the information to be collected; and (d) minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

**Maile Rasco-Arthur,**

*Acting Records Management Branch Chief, Office of the Chief Administrative Officer, Mission Support, Federal Emergency Management Agency, Department of Homeland Security.*

[FR Doc. 2025–05196 Filed 3–26–25; 8:45 am]

**BILLING CODE 9111–76–P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

[NPS–WASO–NAGPRA–NPS0039770; PPWOCRADN0–PCU00RP14.R50000]

#### Notice of Inventory Completion: Yale Peabody Museum, Yale University, New Haven, CT

**AGENCY:** National Park Service, Interior.  
**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the Yale Peabody Museum, Yale University has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after April 28, 2025.

**ADDRESSES:** Professor David Skelly, Director, Yale Peabody Museum, P.O. Box 208118, New Haven, CT 06520–8118, telephone (203) 432–3752, email [david.skelly@yale.edu](mailto:david.skelly@yale.edu).

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the Yale Peabody Museum, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

#### Abstract of Information Available

Human remains representing, at least, 29 individuals have been identified. The seven associated funerary objects are one lot ceramics, one lot faunal remains implements, one lot metal, one lot shell, one lot stone implements, one lot unmodified faunal remains, and one lot historic items. George Langford, Yale University class of 1897, excavated collections from the Fisher Village and Mounds Site circa 1924–1929. A portion of the collection was purchased and received in 1947 by the Yale Peabody Museum.

#### Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is clearly identified by the information available about the human remains and associated funerary objects described in this notice.

#### Determinations

The Yale Peabody Museum has determined that:

- The human remains described in this notice represent the physical remains of 29 individuals of Native American ancestry.
- The seven objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and the Absentee-Shawnee Tribe of Indians of Oklahoma; Citizen Potawatomi Nation, Oklahoma; Eastern Shawnee Tribe of Oklahoma; Forest County Potawatomi Community, Wisconsin; Hannahville Indian Community, Michigan; Ho-Chunk Nation of Wisconsin; Iowa Tribe of Kansas and Nebraska; Iowa Tribe of Oklahoma; Kickapoo Traditional Tribe of Texas; Kickapoo Tribe of Indians of

the Kickapoo Reservation in Kansas; Kickapoo Tribe of Oklahoma; Match-e-be-nash-she-wish Band of Pottawatomi Indians of Michigan; Miami Tribe of Oklahoma; Minnesota Chippewa Tribe, Minnesota (Fond du Lac Band and Mille Lacs Band); Nottawaseppi Huron Band of the Potawatomi, Michigan; Omaha Tribe of Nebraska; Otoe-Missouria Tribe of Indians, Oklahoma; Peoria Tribe of Indians of Oklahoma; Pokagon Band of Potawatomi Indians, Michigan and Indiana; Prairie Band Potawatomi Nation; Sac & Fox Nation of Missouri in Kansas and Nebraska; Sac & Fox Nation, Oklahoma; Sac & Fox Tribe of the Mississippi in Iowa; Shawnee Tribe; and the Winnebago Tribe of Nebraska.

#### Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after April 28, 2025. If competing requests for repatriation are received, the Yale Peabody Museum must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. The Yale Peabody Museum is responsible for sending a copy of this notice to the Indian Tribes identified in this notice.

**Authority:** Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: March 17, 2025.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2025–05223 Filed 3–26–25; 8:45 am]

**BILLING CODE 4312–52–P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

[NPS–WASO–NAGPRA–NPS0039775; PPWOCRADN0–PCU00RP14.R50000]

### Notice of Intended Repatriation: University of Oregon Museum of Natural and Cultural History, Eugene, OR

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the University of Oregon Museum of Natural and Cultural History intends to repatriate a certain cultural item that meets the definition of a sacred object and object of cultural patrimony and that has a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the cultural item in this notice may occur on or after April 28, 2025.

**ADDRESSES:** Dr. Pamela Endzweig, Director of Anthropological Collections, University of Oregon Museum of Natural and Cultural History, 1224 University of Oregon, Eugene, OR 97403–1224, telephone (541) 346–5120, email [endzweig@uoregon.edu](mailto:endzweig@uoregon.edu).

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the University of Oregon Museum of Natural and Cultural History, and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

#### Abstract of Information Available

One cultural item has been requested for repatriation. The one sacred object and object of cultural patrimony, catalog 2–18785, is a coiled basket donated in 2014 by an individual who bought several Native American baskets, including 2–18785, from an Oregon collector. The collector was said to be an expert on Native American basketry. A note from the donor reads, “. . . baskets were made circa 1910 for trade with Missionaries- I think they are by the Navaho tribe.” Museum staff have described the coiled basket as “Mission style” and attributed it to Cahuilla, Cupeño, or Serrano cultural groups. There is no additional information in the Museum's

files relating to the provenance of the basket.

### Cultural Affiliation

The cultural item in this notice is connected to one or more identifiable earlier groups, tribes, peoples, or cultures. There is a relationship of shared group identity between the identifiable earlier groups, tribes, peoples, or cultures and one or more Indian Tribes or Native Hawaiian organizations. The following types of information were used to reasonably trace the relationship: expert opinion, including Native American traditional knowledge.

### Determinations

Pursuant to NAGPRA and its implementing regulations, and after consultation with the appropriate Indian Tribes and Native Hawaiian organizations, the University of Oregon Museum of Natural and Cultural History has determined that:

- The one sacred object/object of cultural patrimony described in this notice is, according to the Native American traditional knowledge of an Indian Tribe or Native Hawaiian organization, a specific ceremonial object needed by a traditional Native American religious leader for present-day adherents to practice traditional Native American religion, and has ongoing historical, traditional, or cultural importance central to the Native American group, including any constituent sub-group (such as a band, clan, lineage, ceremonial society, or other subdivision).
- There is a reasonable connection between the cultural item described in this notice and the Yuhaaviatam of San Manuel Nation (*previously* listed as San Manuel Band of Mission Indians, California).

### Requests for Repatriation

Additional, written requests for repatriation of the cultural item in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural item in this notice to a requestor may occur on or after April 28, 2025. If competing requests for repatriation are received, the University of Oregon Museum of Natural and Cultural History must

determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural item are considered a single request and not competing requests. The University of Oregon Museum of Natural and Cultural History is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and to any other consulting parties.

**Authority:** Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: March 17, 2025.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2025-05228 Filed 3-26-25; 8:45 am]

**BILLING CODE 4312-52-P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[NPS-WASO-NAGPRA-NPS0039777;  
PPWOCRADNO-PCU00RP14.R50000]**

**Notice of Intended Repatriation:  
Peabody Museum of Archaeology and  
Ethnology, Harvard University,  
Cambridge, MA**

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the Peabody Museum of Archaeology and Ethnology, Harvard University (PMAE) intends to repatriate a certain cultural item that meets the definition of a sacred object and that has a known lineal descendant.

**DATES:** Repatriation of the cultural item in this notice may occur on or after April 28, 2025.

**ADDRESSES:** Deanna Byrd, Peabody Museum of Archaeology and Ethnology, Harvard University, 11 Divinity Avenue, Cambridge, MA 02138, telephone (617) 384-0672, email [deannabyrd@fas.harvard.edu](mailto:deannabyrd@fas.harvard.edu).

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the PMAE, and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

### Abstract of Information Available

A total of one cultural item has been requested for repatriation. The one sacred object is an *akua hulu manu* (feathered god image) from Hawai'i described as "the favorite war-god of Kamehameha." The *akua hulu manu* was transferred out of Kamehameha I's ownership at an unknown date and acquired by "American Missionaries at the Sandwich Islands" sometime prior to 1833. The missionaries donated the *akua hulu manu* to the Andover Theological Seminary sometime prior to 1850. Alfred M. Tozzer acquired the *akua hulu manu* from the Andover Theological Society (later known as the Andover Newton Theological School) and donated it to the PMAE in 1937.

### Determinations

The PMAE has determined that:

- The one sacred object described in this notice are specific ceremonial objects needed by a traditional Native American religious leader for present-day adherents to practice traditional Native American religion, according to the Native American traditional knowledge of a lineal descendant, Indian Tribe, or Native Hawaiian organization.

- A known lineal descendant (name withheld per request) is connected to the cultural item described in this notice.

### Requests for Repatriation

Additional, written requests for repatriation of the cultural item in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural item in this notice to a requestor may occur on or after April 28, 2025. If competing requests for repatriation are received, the PMAE must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural item are considered a single request and not competing requests. The PMAE is responsible for sending a copy of this notice to the lineal descendant and any other consulting parties.

**Authority:** Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: March 17, 2025.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2025-05230 Filed 3-26-25; 8:45 am]

**BILLING CODE 4312-52-P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

[NPS-WASO-NAGPRA-NPS0039774;  
PPWOCRADN0-PCU00RP14.R50000]

#### Notice of Inventory Completion: U.S. Army Corps of Engineers, Mobile District, Mobile, AL

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the U.S. Army Corps of Engineers, Mobile District, has completed an inventory of human remains and associated funerary objects and has determined that there is a cultural affiliation between the human remains and associated funerary objects and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after April 28, 2025.

**ADDRESSES:** Ms. Emily Demontalvo, 109 St. Joseph Street, P.O. Box 2288, Mobile, AL 36628-0001, telephone (251) 690-3227, email *Emily.J.Warner@usace.army.mil*.

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the U.S. Army Corps of Engineers, Mobile District, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

#### Abstract of Information Available

Human remains representing, at least, five individuals have been identified. The 20 associated funerary objects are three pieces of mica, two pieces of quartz, one stone axe, two ear spools, three shell beads, one unmodified rock, one piece of carved wood, one charcoal, one lot of flakes, one piece of fabric, three matrix samples, and one projectile point. The Park Mound Site (9TP41) is a multicomponent site with Early Archaic and Late Mississippian occupations. The mound was surveyed

by Harold Huscher in 1967 and again in 1968 as part of the Smithsonian Institution's River Basin Survey program. Huscher conducted excavations at Park Mound in 1969 and again in 1972 and 1973. The human remains and associated funerary objects have been at the University of Georgia since their excavation.

Human remains representing, at least, 36 individuals have been identified. The 178 associated funerary objects are 37 lots of faunal remains, 14 fire cracked rock, 72 lots of potsherds, five charcoal, eight lots of shell beads, one possible coprolite, three sandstone, 16 lots of soil matrix, two bone needles, two lots of shell, six unmodified rocks, one flake, two ceramic bowls, one partially reconstructed bowl, two ear spools, one ceramic vessel, two bone tools, one fossil, one piece of copper, and one soil sample. Avery Mound (9TP64) is an Early to Late Mississippian mound site. Harold Huscher conducted preliminary investigations at Avery Mound in 1966 as part of the Smithsonian's River Basin Survey program and returned in 1967 and excavated a number of test units which identified a number of postholes and probable burial pits. The human remains and associated funerary objects have been at the University of Georgia since their excavation.

#### Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is clearly identified by the information available about the human remains and associated funerary objects described in this notice.

#### Determinations

The U.S. Army Corps of Engineers, Mobile District, has determined that:

- The human remains described in this notice represent the physical remains of 41 individuals of Native American ancestry.
- The 198 objects described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.
- There is a connection between the human remains and associated funerary objects described in this notice and The Muscogee (Creek) Nation.

#### Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains and associated funerary objects described in this notice to a requestor may occur on or after April 28, 2025. If competing requests for repatriation are received, the U.S. Army Corps of Engineers, Mobile District, must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. The U.S. Army Corps of Engineers, Mobile District, is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice.

**Authority:** Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: March 17, 2025.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2025-05227 Filed 3-26-25; 8:45 am]

**BILLING CODE 4312-52-P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

[NPS-WASO-NAGPRA-NPS0039773;  
PPWOCRADN0-PCU00RP14.R50000]

#### Notice of Inventory Completion: U.S. Department of the Interior, Bureau of Land Management, Utah State Office, Salt Lake City, UT, and U.S. Department of the Interior, Bureau of Reclamation, Upper Colorado Basin Region, Salt Lake City, UT

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the U.S. Department of the Interior, Bureau of Land Management, Utah State Office (BLM) and U.S. Department of the Interior, Bureau of Reclamation, Upper Colorado Basin Region (Reclamation) have completed an inventory of human remains and associated funerary objects and have determined that there is a cultural affiliation between the human remains and associated funerary objects

and Indian Tribes or Native Hawaiian organizations in this notice. The human remains and associated funerary objects were removed from the Glen Canyon area of San Juan County, UT, Garfield County, UT, and Kane County, UT, and are in the custody of the Utah Museum of Natural History, University of Utah, Salt Lake City, UT, the American Museum of Natural History, New York, NY, and the Museum of Northern Arizona, Flagstaff, AZ.

**DATES:** Repatriation of the human remains and associated funerary objects in this notice may occur on or after April 28, 2025.

**ADDRESSES:** Diana Barg, U.S. Department of the Interior, Bureau of Land Management, Utah State Office, 440 W 200 S, Suite 500, Salt Lake City, UT 84101, telephone (801) 539-4214, email [dbarg@blm.gov](mailto:dbarg@blm.gov) and Zachary Nelson, U.S. Department of the Interior, Bureau of Reclamation, Upper Colorado Basin Region, 125 South State Street, Room 8100, Salt Lake City, UT 84138, telephone (801) 379-1164, email [znelson@usbr.gov](mailto:znelson@usbr.gov).

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the BLM and Reclamation, and additional information on the determinations in this notice, including the results of consultation, can be found in the inventory or related records. The National Park Service is not responsible for the determinations in this notice.

BLM and Reclamation acknowledge the deep and abiding connection Indian Tribes throughout the region have to Glen Canyon, which was unfortunately omitted in the 2019 **Federal Register** Notices [84 FR 2922, February 8, 2019, and 84 FR 2917, February 8, 2019]. Before publication, the following Indian Tribes shared with Reclamation information regarding their cultural affiliation with the Ancestors from this place: Havasupai Tribe of the Havasupai Reservation, Arizona; Hopi Tribe of Arizona; Hualapai Indian Tribe of the Hualapai Indian Reservation, Arizona; Kaibab Band of Paiute Indians of the Kaibab Indian Reservation, Arizona; Navajo Nation, Arizona, New Mexico, & Utah; Ohkay Owingeh, New Mexico; Paiute Indian Tribe of Utah; Pueblo of Jemez, New Mexico; Pueblo of Pojoaque, New Mexico; Pueblo of Santa Ana, New Mexico; Pueblo of Santa Clara, New Mexico; Pueblo of Zia, New Mexico; Southern Ute Indian Tribe of the Southern Ute Reservation, Colorado; Ute

Mountain Ute Tribe; and the Zuni Tribe of the Zuni Reservation, New Mexico.

#### Abstract of Information Available

Human remains representing, at least, one individual were removed from site 42GA553 in Garfield County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1962 as part of the Upper Colorado River Basin Archeological Survey Project (UCRBASP) during an excavation paid for by Reclamation on land managed by BLM.

Human remains representing, at least, 11 individuals were removed from site 42SA681 (Rehab Center) in San Juan County, Utah. The 47 associated funerary objects are eight textile fragments, 29 pieces of cordage, one bundle of cordage, five soil impressions, three baskets, and one bead. The University of Utah exhumed the individuals and associated funerary objects in 1961 as part of the UCRBASP during an excavation paid for by Reclamation on land managed by BLM.

Human remains representing, at least, seven individuals were removed from site 42SA735 (Whirlwind Cave) in San Juan County, Utah. The two associated funerary objects are one bead group and one piece of ochre. The University of Utah exhumed the individuals and associated funerary objects in 1961 as part of the UCRBASP during an excavation paid for by Reclamation on land managed by BLM.

Human remains representing, at least, 15 individuals were removed from site 42SA736 (Bernheimer Alcove, Cave 1) in San Juan County, Utah. The 300 associated funerary objects are 33 ceramic sherds, 10 faunal bones, 24 squash fragments, seven vegetal sticks, 17 corncobs, 10 squash stems, one vegetal item, one worked vegetal twig, one piece of knotted bark, 10 vegetal knots, 22 quids, 54 pieces of cordage, 20 basketry fragments, two bone awls, 13 squashes, two textile or basket fragments, one hide fragment, one small wood spatula, two corn stalk fragments, three pieces of worked yucca, one corn husk, one bone tool, one projectile point, 10 pieces of folded yucca, corn (not found in collection), two pieces of hair cordage, one piece of gourd tissue, one wood fire poker, one open mesh mat, one knotted mat fragment, one hair bundle or cordage, two stone choppers, one corncob with kernels, two mat or basket fragments, three macro-botanical samples from processed coprolites, three bracelets, five beads, two shrouds, two shroud fragments, one textile, two wood fragments, one cradleboard, two robe fragments, one piece of impressed clay, one edge of a fur blanket, one

bundle of yucca, one hide bag, one piece of juniper material, one juniper matting or blanket, one juniper vegetal artifact, one coiled basket, one textile fragment with red and black dyes, one incomplete hide bag, one cedar bark roll, one piece of cotton cloth, one ball of cotton, one human hair belt, one juniper bast covered with animal hide, one necklace, one twined-woven bag, one stone bead, and two bone tinklers. Four of the individuals and 14 of the associated funerary objects were exhumed on June 11, 1929, by Charles L. Bernheimer, Earl Morris, and John Wetherill during the 7th Bernheimer Expedition, and acquired by the American Museum of Natural History, on land managed by BLM. The University of Utah exhumed the other 11 individuals and 286 associated funerary objects in 1961 as part of the UCRBASP during an excavation paid for by Reclamation on land managed by BLM. Three of the associated funerary objects recovered by the University of Utah in 1961 are associated with individuals exhumed by the 7th Bernheimer Expedition in 1929.

Human remains representing, at least, one individual were removed from site 42SA772 (Cave 2) in San Juan County, Utah. The seven associated funerary objects are one split stick cut by stone tools, two round sticks with ends cut, one lot consisting of fragments of a yucca mat, one lot of hide trimmings, one lot of fur string, and one lot of plain jar fragments. The individual and associated funerary objects were exhumed in 1929 by Charles L. Bernheimer, Earl Morris, and John Wetherill during the 7th Bernheimer Expedition, and acquired by the American Museum of Natural History, on land managed by BLM.

Human remains representing, at least, four individuals were removed from site 42SA847 (Montezuma 1) in San Juan County, Utah. The 18 associated funerary objects are one faunal bone, one polished stone, and 16 ceramic sherds. The University of Utah exhumed the individuals and associated funerary objects in 1945 in an area that became part of the UCRBASP in the Glen Canyon area on land managed by BLM.

Human remains representing, at least, one individual were removed from site 42SA440 in San Juan County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1960 as part of the UCRBASP during an excavation paid for by Reclamation on land managed by BLM.

Human remains representing, at least, one individual were removed from site 42KA1077 in Kane County, Utah. No associated funerary objects are present.

The University of Utah exhumed the individual in 1962 as part of the UCRBASP during an excavation paid for by Reclamation on land managed by BLM.

Human remains representing, at least, one individual were removed from site 42GA103 (Pantry Alcove) in Garfield County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1961 as part of the UCRBASP during an excavation paid for by Reclamation on land managed by BLM.

Human remains representing, at least, one individual were removed from site 42KA235 (Davis Pool Site) in Kane County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1957 as part of the UCRBASP during an excavation paid for by Reclamation on land withdrawn from BLM.

Human remains representing, at least, one individual were removed from site 42KA274 (Talus Ruin) in Kane County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1958 as part of the UCRBASP during an excavation paid for by Reclamation on land managed by BLM.

Human remains representing, at least, one individual were removed from site 42KA276 (Lizard Alcove) in Kane County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1958 as part of the UCRBASP during an excavation paid for by Reclamation on land withdrawn from BLM.

Human remains representing, at least, one individual were removed from site 42KA433 (Benchmark Cave) in Kane County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual during excavations that occurred in 1958 and 1962 as part of the UCRBASP and paid for by Reclamation on land withdrawn from BLM.

Human remains representing, at least, one individual were removed from site 42SA377 (Fence Ruin) in San Juan County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1959 as part of the UCRBASP during an excavation paid for by Reclamation on land withdrawn from BLM.

Human remains representing, at least, one individual were removed from site 42SA583 (Echo Alcove, Echo Cave) in San Juan County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1959 as part of the UCRBASP during an excavation paid for

by Reclamation on land withdrawn from BLM.

Human remains representing, at least, one individual were removed from site 42SA633 (Widow's Ledge) in San Juan County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1962 as part of the UCRBASP during an excavation paid for by Reclamation on land withdrawn from BLM.

Human remains representing, at least, one individual were removed from site 42SA598 (Defiance House) in San Juan County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1959 as part of the UCRBASP during an excavation paid for by Reclamation on land withdrawn from BLM.

Human remains representing, at least, one individual were removed from site 42SA413 (Forked Stick Alcove, Forked Stick Shelter) in San Juan County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1959 as part of the UCRBASP during an excavation paid for by Reclamation on land withdrawn from BLM.

Human remains representing, at least, one individual were removed from site 42GA288 (Triangle Cave) in Garfield County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1961 as part of the UCRBASP during an excavation paid for by Reclamation on land managed by BLM.

Human remains representing, at least, one individual were removed from site 42GA290 in Garfield County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1961 as part of the UCRBASP during an excavation paid for by Reclamation on land managed by BLM.

Human remains representing, at least, one individual were removed from site 42SA576 (Shady Alcove) in San Juan County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1959 as part of the UCRBASP during an excavation paid for by Reclamation on land withdrawn from BLM.

Human remains representing, at least, one individual were removed from site 42SA619 (Gourd House) in San Juan County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1960 as part of the UCRBASP during an excavation paid for by Reclamation on land withdrawn from BLM.

Human remains representing, at least, one individual were removed from site 42SA585 (Doll Ruin, Dollhouse Ruin) in

San Juan County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1959 as part of the UCRBASP during an excavation paid for by Reclamation on land withdrawn from BLM.

Human remains representing, at least, one individual were removed from site 42GA4230 (formerly recorded as 42KA178 and 42GA178) (Gate's Roost), which museum records indicate is in Kane County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1957 as part of the UCRBASP during an excavation paid for by Reclamation on land managed by BLM.

Human remains representing, at least, one individual were removed from site 42GA286 (Circle Terrace) in Garfield County, Utah. No associated funerary objects are present. The University of Utah exhumed the individual in 1961 as part of the UCRBASP during an excavation paid for by Reclamation on land managed by BLM.

Human remains representing, at least, one individual were removed from site 42SA649 (NA3729) in San Juan County, Utah. No associated funerary objects are present. Gene Foster, an artist and self-taught archaeologist, collected the human remains from the surface within an alcove in 1953 during a reconnaissance survey before construction of the Glen Canyon Dam in the area of the UCRBASP on land managed by BLM. Gene Foster turned over the collections and site records to the Museum of Northern Arizona in 1958.

Human remains representing, at least, one individual were removed from site NA2681 in San Juan County, Utah. No associated funerary objects are present. The Museum of Northern Arizona exhumed the individual in 1959 as part of the UCRBASP during an excavation paid for by Reclamation on land managed by BLM.

### Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is clearly identified by the information available about the human remains and associated funerary objects described in this notice.

### Determinations

The BLM and Reclamation have determined that:

- The human remains described in this notice represent the physical remains of at least 60 individuals of Native American ancestry.

- The 374 objects, or lots of objects, described in this notice are reasonably believed to have been placed intentionally with or near individual human remains at the time of death or later as part of the death rite or ceremony.

- There is a reasonable connection between the human remains and associated funerary objects described in this notice and the Colorado River Indian Tribes of the Colorado River Indian Reservation, Arizona and California; Confederated Tribes of the Goshute Reservation, Nevada and Utah; Eastern Shoshone Tribe of the Wind River Reservation, Wyoming; Fort Sill Apache Tribe of Oklahoma; Havasupai Tribe of the Havasupai Reservation, Arizona; Hopi Tribe of Arizona; Hualapai Indian Tribe of the Hualapai Indian Reservation, Arizona; Jicarilla Apache Nation, New Mexico; Kaibab Band of Paiute Indians of the Kaibab Indian Reservation, Arizona; Mescalero Apache Tribe of the Mescalero Reservation, New Mexico; Navajo Nation, Arizona, New Mexico, & Utah; Northwestern Band of the Shoshone Nation; Ohkay Owingeh, New Mexico; Paiute Indian Tribe of Utah (Cedar Band of Paiutes, Koosharem Band of Paiutes, Indian Peaks Band of Paiutes, and Shivwits Band of Paiutes); Pueblo of Acoma, New Mexico; Pueblo of Cochiti, New Mexico; Pueblo of Isleta, New Mexico; Pueblo of Jemez, New Mexico; Pueblo of Laguna, New Mexico; Pueblo of Nambe, New Mexico; Pueblo of Picuris, New Mexico; Pueblo of Pojoaque, New Mexico; Pueblo of San Felipe, New Mexico; Pueblo of San Ildefonso, New Mexico; Pueblo of Sandia, New Mexico; Pueblo of Santa Ana, New Mexico; Pueblo of Santa Clara, New Mexico; Pueblo of Taos, New Mexico; Pueblo of Tesuque, New Mexico; Pueblo of Zia, New Mexico; San Juan Southern Paiute Tribe of Arizona; Santo Domingo Pueblo; Skull Valley Band of Goshute Indians of Utah; Southern Ute Indian Tribe of the Southern Ute Reservation, Colorado; Ute Indian Tribe of the Uintah & Ouray Reservation, Utah; Ute Mountain Ute Tribe; Yavapai-Apache Nation of the Camp Verde Indian Reservation, Arizona; Ysleta del Sur Pueblo; and the Zuni Tribe of the Zuni Reservation, New Mexico.

#### Requests for Repatriation

Written requests for repatriation of the human remains and associated funerary objects in this notice must be sent to the authorized representatives identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.

2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the human remains and associated funerary objects in this notice to a requestor may occur on or after April 28, 2025. If competing requests for repatriation are received, BLM and Reclamation must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains and associated funerary objects are considered a single request and not competing requests. BLM and Reclamation are responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: March 17, 2025.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2025-05226 Filed 3-26-25; 8:45 am]

**BILLING CODE 4312-52-P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

[NPS-WASO-NAGPRA-NPS0039771; PPWOCRADN0-PCU00RP14.R50000]

### Notice of Intended Repatriation: University of California, Berkeley, Berkeley, CA

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the University of California, Berkeley intends to repatriate certain cultural items that meet the definition of sacred objects and/or objects of cultural patrimony and that have a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the cultural items in this notice may occur on or after April 28, 2025.

**ADDRESSES:** Alexandra Lucas, Director of Repatriation/Repatriation Coordinator, Government and Community Relations (Chancellor's

Office), University of California, Berkeley, 200 California Hall, Berkeley, CA 94720, telephone (510) 570-0964, email [nagpra-ucb@berkeley.edu](mailto:nagpra-ucb@berkeley.edu).

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the University of California, Berkeley, and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

### Abstract of Information Available

A total of nine Pomo cultural items have been requested for repatriation. The sacred objects and objects of cultural patrimony are from the following accessions Acc.1377, Acc. 1307, and Acc.1702 in the Phoebe A Hearst Museum of Anthropology at the University of California, Berkeley.

In February 1963, the Lowie Museum of Anthropology purchased one sacred object/object of cultural patrimony. The one sacred object/object of cultural patrimony is a Big-head dance headdress (Acc.1702) from the maker and owner Vivian Fred of Big Valley Rancheria in Lakeport, California. The purchase was marked urgent and purchased via rush check in 1963.

On February 7, 1960, Samuel A. Barrett acquired eastern and southeastern Pomo cultural items for the Lowie Museum of Anthropology (Phoebe A Hearst Museum, Accession Acc.1307). The four objects of cultural patrimony include a tule 'blanket' for a cradle basket and cradle basket, a mud hen bird trap, and a basket start. The one sacred object/object of cultural patrimony are components of Bighead dance regalia. The circumstances of these acquisitions by Barrett are unknown.

On December 16, 1960, Samuel A. Barrett collected and gifted three Pomo cultural items via the American Indian Films Project to the Lowie Museum of Anthropology (Phoebe A Hearst Museum) under Accession 1377. The one object of cultural patrimony is a tule boat with grapevine binding made at Clear Lake, Lake County, attributed to Harry/Henry Holmes. The two sacred objects/objects of cultural patrimony include a feathered headdress, and a headdress comprising a red cloth square bordered with green fringes.

Collections and collection spaces at the Phoebe A Hearst Museum of Anthropology were treated with substances for preservation and pest

control, some potentially hazardous. No records have been found to date at the Museum to indicate whether or not chemicals or natural substances were used prior to 1960.

#### Determinations

The University of California, Berkeley has determined that:

- The five objects of cultural patrimony described in this notice have ongoing historical, traditional, or cultural importance central to the Native American group, including any constituent sub-group (such as a band, clan, lineage, ceremonial society, or other subdivision), according to the Native American traditional knowledge of an Indian Tribe or Native Hawaiian organization.

- The four sacred objects/objects of cultural patrimony described in this notice are, according to the Native American traditional knowledge of an Indian Tribe or Native Hawaiian organization, specific ceremonial objects needed by a traditional Native American religious leader for present-day adherents to practice traditional Native American religion, and have ongoing historical, traditional, or cultural importance central to the Native American group, including any constituent sub-group (such as a band, clan, lineage, ceremonial society, or other subdivision).

- There is a reasonable connection between the cultural items described in this notice and the Big Valley Band of Pomo Indians of the Big Valley Rancheria, California.

#### Requests for Repatriation

Additional, written requests for repatriation of the cultural items in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural items in this notice to a requestor may occur on or after April 28, 2025. If competing requests for repatriation are received, the University of California, Berkeley must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural items are considered a single request and not competing requests. The University of California, Berkeley is responsible for sending a copy of this notice to the Indian Tribes and Native

Hawaiian organizations identified in this notice and to any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: March 17, 2025.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2025–05224 Filed 3–26–25; 8:45 am]

**BILLING CODE 4312–52–P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[NPS–WASO–NAGPRA–NPS0039768; PPWOCRADN0–PCU00RP14.R50000]**

### Notice of Inventory Completion: University of Tennessee, Department of Anthropology, Knoxville, TN

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the University of Tennessee, Department of Anthropology (UTK) has completed an inventory of human remains and has determined that there is a cultural affiliation between the human remains and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains in this notice may occur on or after April 28, 2025.

**ADDRESSES:** Dr. Ellen Lofaro, University of Tennessee, Office of Repatriation, 5723 Middlebrook Pike, Knoxville, TN 37921–6053, telephone (865) 974–3370, email [nagpra@utk.edu](mailto:nagpra@utk.edu).

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of UTK, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

### Abstract of Information Available

Human remains representing, at least, one individual have been identified. No associated funerary objects are present. This individual was removed from the Bond/Bond's Village site, 22TU530, located in Tunica County, MS. Between May 6 and November 1, 1968, human remains and cultural items were removed from the Bond Village site after

the Mississippi Archaeological Association (MAA) received reports of disturbance to the site from farming. John Connaway, Mississippi Archaeology Survey (MAS), oversaw excavations, which were funded partially by the MAA. Subsequent review of ceramic styles from the Bond Village site suggests a Mississippian occupation (c. 1050–1400 CE) of the site.

The circumstances that brought this individual to UTK are currently unknown, but available records indicate that William Bass (UTK) examined some of the individuals removed in the 1968 excavations directed by Connaway. Based on past patterns of behavior, it is likely that this individual was retained by Bass at UTK, while the other individuals from this site were most likely housed elsewhere, likely at MDAH or elsewhere in Mississippi. To our knowledge, the human remains described in this notice were not treated with any potentially hazardous substances.

Cultural affiliation between these human remains and the Indian Tribe listed in this notice was established via anthropological information, archaeological information, geographical information, historical information, Native American Traditional Knowledge, and oral tradition. Tunica County, MS, is part of lands ceded to the United States by the Chickasaw, as recorded in, Treaty with the Chickasaw, 1832.

### Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is clearly identified by the information available about the human remains described in this notice.

### Determinations

UTK has determined that:

- The human remains described in this notice represent the physical remains of one individual of Native American ancestry.
- There is a connection between the human remains described in this notice and The Chickasaw Nation.

### Requests for Repatriation

Written requests for repatriation of the human remains in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization

not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains described in this notice to a requestor may occur on or after April 28, 2025. If competing requests for repatriation are received, UTK must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains are considered a single request and not competing requests. UTK is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice.

**Authority:** Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: March 17, 2025.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2025-05221 Filed 3-26-25; 8:45 am]

**BILLING CODE 4312-52-P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

[NPS-WASO-NAGPRA-NPS0039772;  
PPWOCRADNO-PCU00RP14.R50000]

#### Notice of Inventory Completion: Oregon Historical Society, Portland, OR

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the Oregon Historical Society (OHS) has completed an inventory of human remains and determined that there is a cultural affiliation between the human remains and Indian Tribes or Native Hawaiian organizations in this notice. The human remains were removed during an excavation immediately west of the Willamette Hotel in Salem, Oregon.

**DATES:** Repatriation of the human remains in this notice may occur on or after April 28, 2025.

**ADDRESSES:** Nicole Yasuhara, Oregon Historical Society, 1200 SW Park Avenue, Portland, OR 97205, telephone (503) 306-5238, email [nagpra@ohs.org](mailto:nagpra@ohs.org).

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the OHS, and additional information on the

determinations in this notice, including the results of consultation, can be found in its inventory or related records. The National Park Service is not responsible for the determinations in this notice.

#### Abstract of Information Available

Human remains representing, at minimum, one individual has been identified. No associated funerary objects are present. On an unknown date, human remains representing one individual were removed during an excavation immediately west of the Willamette Hotel in Salem, Oregon, possibly by George Himes, the first curator of the Oregon Historical Society. On January 20, 1899, the individual was documented in the accession records of the Oregon Historical Society. The ancestor exhibits "fronto-occipital deformation" (frontal sloping and flattening of the occipital consistent with intentional cranial modification). The OHS has no knowledge or record of the presence of any potentially hazardous substances used to treat the human remains.

#### Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is clearly identified by the information available about the human remains described in this notice.

#### Determinations

The Oregon Historical Society has determined that:

- The human remains described in this notice represent the physical remains of one individual of Native American ancestry.
- There is a connection between the human remains described in this notice and the Confederated Tribes of Siletz Indians of Oregon; Confederated Tribes of the Grand Ronde Community of Oregon; and the Confederated Tribes of the Warm Springs Reservation of Oregon.

#### Requests for Repatriation

Written requests for repatriation of the human remains in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains described in this notice to a requestor may occur on or after April 28, 2025. If competing requests for repatriation are received, the OHS must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains are considered a single request and not competing requests. The OHS is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice.

**Authority:** Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: March 17, 2025.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2025-05225 Filed 3-26-25; 8:45 am]

**BILLING CODE 4312-52-P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

[NPS-WASO-NAGPRA-NPS0039776;  
PPWOCRADNO-PCU00RP14.R50000]

#### Notice of Inventory Completion: American Museum of Natural History, New York, NY

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the American Museum of Natural History (AMNH) has completed an inventory of human remains and has determined that there is a cultural affiliation between the human remains and Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the human remains in this notice may occur on or after April 28, 2025.

**ADDRESSES:** Nell Murphy, American Museum of Natural History, 200 Central Park West, New York, NY 10024, telephone (212) 769-5837, email [nmurphy@amnh.org](mailto:nmurphy@amnh.org).

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the American Museum of Natural History, and additional information on the determinations in this notice, including the results of consultation, can be found in its inventory or related records. The

National Park Service is not responsible for the determinations in this notice.

#### Abstract of Information Available

Human remains representing, at least, 27, individuals have been identified. No associated funerary objects are present.

In 1875, human remains representing a minimum of five individuals were removed from Avila Landing, San Luis Obispo County, California by James Terry. The AMNH purchased the remains from Terry in 1891 and accessioned them that same year. No associated funerary objects were present.

Prior to 1891, human remains representing a minimum of five individuals were removed from Point Mugu, Ventura County, California, by Stephen Bowers, who later sold them to James Terry. The AMNH purchased the remains from Terry in 1891 and accessioned them that same year. No associated funerary objects were present.

On February 12, 1880, human remains representing a minimum of two individuals were removed from Santa Barbara County, California, by Stephen Bowers, who later sold them to James Terry. The AMNH purchased the remains from Terry in 1891 and accessioned them that same year. No associated funerary objects were present.

In April of 1916, human remains representing a minimum of 14 individuals were removed from El Capitán Beach, Santa Barbara County, California, by E.C. Tripp. These remains were purchased by R.G. Hazard, who donated them to the American Museum of Natural History in 1917. The AMNH accessioned these remains that same year. No associated funerary objects were present.

Between 1936–1937, human remains representing a minimum of one individual were removed from a location 2 miles south of Lompoc, California. This site is likely Hondo Beach Village. The remains were gifted to the American Museum of Natural History by Richard L. Casanova in 1937, and they were accessioned that same year. Casanova described associated funerary objects in his letters to the Museum, however they were not accessioned by the Museum, and their current whereabouts are unknown.

Based on available information and tribal consultation, these remains are affiliated with the Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation, California. The following types of information were used to determine affiliation: geographical, historical,

anthropological, linguistic, archaeological, and Native American traditional knowledge.

While it no longer does so, in the past, the Museum applied potentially hazardous pesticides to items in the collections. Museum records do not list specific objects treated or which of several chemicals used were applied to a particular item. Therefore, those handling this material should follow the advice of industrial hygienists or medical personnel with specialized training in occupational health or with potentially hazardous substances.

#### Cultural Affiliation

Based on the information available and the results of consultation, cultural affiliation is clearly identified by the information available about the human remains described in this notice.

#### Determinations

The American Museum of Natural History has determined that:

- The human remains described in this notice represent the physical remains of 27 individuals of Native American ancestry.
- There is a connection between the human remains described in this notice and the Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation, California.

#### Requests for Repatriation

Written requests for repatriation of the human remains in this notice must be sent to the authorized representative identified in this notice under

**ADDRESSES.** Requests for repatriation may be submitted by:

1. Any one or more of the Indian Tribes or Native Hawaiian organizations identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or an Indian Tribe or Native Hawaiian organization with cultural affiliation.

Repatriation of the human remains described in this notice to a requestor may occur on or after April 28, 2025. If competing requests for repatriation are received, the American Museum of Natural History must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the human remains are considered a single request and not competing requests. The American Museum of Natural History is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3003, and the implementing regulations, 43 CFR 10.10.

Dated: March 17, 2025.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2025–05229 Filed 3–26–25; 8:45 am]

**BILLING CODE 4312–52–P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[NPS–WASO–NAGPRA–NPS0039769; PPWOCRADN0–PCU00RP14.R50000]**

**Notice of Intended Disposition: U.S. Department of the Interior, National Park Service, Klondike Gold Rush National Historic Park, Skagway, AK**

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), the U.S. Department of the Interior, National Park Service, Klondike Gold Rush National Historic Park (KLGO) intends to carry out the disposition of objects of cultural patrimony removed from Federal or Tribal lands to the lineal descendants, Indian Tribe, or Native Hawaiian organization with priority for disposition in this notice.

**DATES:** Disposition of the cultural items in this notice may occur on or after April 28, 2025. If no claim for disposition is received by March 30, 2026, the cultural items in this notice will become unclaimed cultural items.

**ADDRESSES:** Angela Wetz, Superintendent, Klondike Gold Rush National Historic Park, P.O. Box 517, Skagway, AK 99840, telephone (907) 983–9216, email [angela\\_wetz@nps.gov](mailto:angela_wetz@nps.gov).

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of the Superintendent KLGO, and additional information on the cultural items in this notice, including the results of consultation, can be found in the related records.

#### Abstract of Information Available

Based on the information available, seven glass beads were removed from the historic Dyea townsite, Skagway, Alaska between July and September of 2023. These seven beads have been identified by the Skagway Traditional Council as objects of cultural patrimony.

Two of the beads, are known as Cornaline d'Aleppo beads, commonly referred to as white heart beads and first appeared in Alaska as early as 1840. The other five beads are commonly referred to as "Russian trade beads" and are of blue glass with facets. These seven items of cultural patrimony are stored appropriately and securely at the KLGO archaeological laboratory in Skagway, Alaska.

#### Determinations

KLGO has determined that:

- The seven objects of cultural patrimony described in this notice have ongoing historical, traditional, or cultural importance central to the Native American group, including any constituent sub-group (such as a band, clan, lineage, ceremonial society, or other subdivision), according to the Native American traditional knowledge of an Indian Tribe or Native Hawaiian organization.

- The Chilkat Indian Village (Klukwan); Chilkoot Indian Association (Haines); and the Skagway Village have priority for disposition of the cultural items described in this notice.

#### Claims for Disposition

Written claims for disposition of the cultural items in this notice must be sent to the appropriate official identified in this notice under **ADDRESSES**. If no claim for disposition is received by March 30, 2026, the cultural items in this notice will become unclaimed cultural items. Claims for disposition may be submitted by:

1. Any lineal descendant, Indian Tribe, or Native Hawaiian organization identified in this notice.
2. Any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that they have priority for disposition.

Disposition of the cultural items in this notice may occur on or after April 28, 2025. If competing claims for disposition are received, KLGO must determine the most appropriate claimant prior to disposition. Requests for joint disposition of the cultural items are considered a single request and not competing requests. KLGO is responsible for sending a copy of this notice to the lineal descendants, Indian Tribes, and Native Hawaiian organizations identified in this notice and to any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3002, and the implementing regulations, 43 CFR 10.7.

Dated: March 17, 2025.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2025-05222 Filed 3-26-25; 8:45 am]

**BILLING CODE 4312-52-P**

## DEPARTMENT OF THE INTERIOR

### National Park Service

**[NPS-WASO-NAGPRA-NPS0039767;  
PPWOCRADN0-PCU00RP14.R50000]**

#### Notice of Intended Repatriation: San Bernardino County Museum, Redlands, CA

**AGENCY:** National Park Service, Interior.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Native American Graves Protection and Repatriation Act (NAGPRA), San Bernardino County Museum intends to repatriate certain cultural items that meet the definition of unassociated funerary objects, sacred objects and/or objects of cultural patrimony and that have a cultural affiliation with the Indian Tribes or Native Hawaiian organizations in this notice.

**DATES:** Repatriation of the cultural items in this notice may occur on or after April 28, 2025.

**ADDRESSES:** Gabrielle Carpentier, San Bernardino County Museum, 2024 Orange Tree Lane, Redlands, CA 92374, telephone (909) 798-8613, email [gabrielle.carpentier@sbcmb.sbccounty.gov](mailto:gabrielle.carpentier@sbcmb.sbccounty.gov).

**SUPPLEMENTARY INFORMATION:** This notice is published as part of the National Park Service's administrative responsibilities under NAGPRA. The determinations in this notice are the sole responsibility of San Bernardino County Museum, and additional information on the determinations in this notice, including the results of consultation, can be found in the summary or related records. The National Park Service is not responsible for the determinations in this notice.

#### Abstract of Information Available

A total of 62 cultural items have been requested for repatriation.

The seven sacred objects/objects of cultural patrimony are one lot of ground stone, unmodified shell, worked shell, flaked stone, charcoal, asphaltum, and unmodified faunal bone. In 1948-50, Stuart Peck with ASA and UCLA excavated multiple pits at Zuma Creek (LAN-174) (SBCM-473), under a temporary permit.

The three unassociated funerary items are one lot of stone bowls, ground stone, and flaked stone. These objects were

donated by Bill and Steve Black (A158) in July 1968. Notes present in this file (SBCM-808/A158), state that these items were found in Goleta along with burials not housed at SBCM.

The three sacred objects/objects of cultural patrimony are one lot of steatite figurines, steatite beads, and worked faunal bone. These items were donated to the museum by Gerald Smith (A5) over several years. Based on our records, the culture area of these objects is coastal California.

The 18 sacred objects/objects of cultural patrimony are one lot stone pipes, ground stone, stone figurines, shell beads and pendants, shell fish hooks, stone fishing weights, a stone tube, stone pendants, a shell dish, flaked, a stone ball, debitage, a digging stick weight, an arrow straightener, a nutcracker, a stone bead, a stone lamp, and a comal. These items have been disenfranchised from their individual provenience, but based on expert opinion, are affiliated with coastal California Chumash.

The one sacred object/object of cultural patrimony is a stone figurine. A2033-279 was donated on 12/15/1986 by William Elliot and appraised prior to donation, where the appraiser listed it as Chumash.

The two sacred objects/objects of cultural patrimony are two paintings. These objects were donated to the museum in 2015. Both paintings were created by John Lincoln in 1975. A3393-9 is titled 'Chumash Rock Painting II' No 13/60. A3393-10 is titled 'Chumash Rock Painting III', NO 13/60. These pieces were from the estate of Mrs. Dickey, a long-time museum education volunteer, who donated them to the museum in June 2015.

The one sacred object/object of cultural patrimony is one lot of shell beads. A4-640 was purchased on 4/21/1941 from an archaeology student in Tucson, Arizona, although they were claimed to be found in California. These objects were brought to the museum by Benjamin McCown (A4). On 9/30/2024, Kathleen Marshall of the Santa Ynez Band of Chumash Indians identified these shell beads as Chumash.

The four sacred objects/objects of cultural patrimony are one lot of unmodified faunal bone, lithics, unmodified shell, and shell beads. These objects from Wilson's Landing (SBCM-75X) in Ventura County, California were recorded by San Bernardino County Museum in 1940.

The one sacred object/object of cultural patrimony is one lot of lithics. These objects from Oak Grove Park (SBCM-483) in Ventura County,

California were recorded by San Bernardino County Museum in 1947.

The three sacred objects/objects of cultural patrimony are one lot of unmodified faunal bone, unmodified shell, and lithics. These objects from Cuyama Valley (SBCM–5564) in Santa Barbara County, California were recorded by San Bernardino County Museum in 1983.

The two sacred objects/objects of cultural patrimony are one lot of basketry and netting. These objects from Hummingbird Ranch (SBCM–5740) in Ventura County, California were recorded by San Bernardino County Museum in 2002 and were an ASA collection (#29–S).

The one sacred object/object of cultural patrimony is one lot of unmodified shell and unmodified faunal bone. These objects from near Port Hueneme (SBCM–5895) in Ventura County, California were recorded by San Bernardino County Museum in 1951 and are a Benjamin McCown collection.

The two sacred objects/objects of cultural patrimony are one lot of glass beads and unmodified shell. These objects from Browne Site (SBCM–6255) in Ventura County, California were recorded by San Bernardino County Museum in 2008 and are an ASA collection.

The six sacred objects/objects of cultural patrimony are one lot of unmodified faunal bone, glass, lithics, metal, red ochre, and unmodified shell. These objects from the Southern California Edison Presidential Substation Project (SBCM–6279/CA–VEN–744) in Moorpark, Ventura County, California were collected by the Chambers Group, Inc. in 2010 and subsequently curated under a curation agreement at San Bernardino County Museum.

The four sacred objects/objects of cultural patrimony are one lot of unmodified faunal bone, lithics, red ochre, and unmodified shell. These objects from the Southern California Edison Presidential Substation Project (SBCM–6279/CA–VEN–1571) in Thousand Oaks, Ventura County, California were collected by the Chambers Group, Inc. in 2010 and subsequently curated under a curation agreement at San Bernardino County Museum.

The one sacred object/object of cultural patrimony is one lot of lithics. These objects from Point Dume, south of Oxnard (SBCM–6295) in Ventura County, California were recorded by San Bernardino County Museum in 1947 and are a Benjamin McCown collection.

The one lot of objects of cultural patrimony is one lot of ground stone.

This lot comes from Santa Rosa Island. The object was collected in 1948, given to the Mousley Museum, and then transferred to the SBCM in 1991.

The one lot of objects of cultural patrimony is one lot of ground stone. This lot comes from Mussell Rock in Santa Barbara County. The object was collected in 1949, given to the Mousley Museum, and then transferred to the SBCM in 1993.

The one lot of objects for cultural patrimony is one lot of soil. This lot was collected on 12/22/1972 from VEN–276, and labelled as “Frag #7, trench 10, (s. side).”

#### Determinations

San Bernardino County Museum has determined that:

- The three unassociated funerary objects described in this notice are reasonably believed to have been placed intentionally with or near human remains, and are connected, either at the time of death or later as part of the death rite or ceremony of a Native American culture according to the Native American traditional knowledge of a lineal descendant, Indian Tribe, or Native Hawaiian organization. The unassociated funerary objects have been identified by a preponderance of the evidence as related to human remains, specific individuals, or families, or removed from a specific burial site or burial area of an individual or individuals with cultural affiliation to an Indian Tribe or Native Hawaiian organization.

- The three objects of cultural patrimony described in this notice have ongoing historical, traditional, or cultural importance central to the Native American group, including any constituent sub-group (such as a band, clan, lineage, ceremonial society, or other subdivision), according to the Native American traditional knowledge of an Indian Tribe or Native Hawaiian organization.

- The 56 sacred objects/objects of cultural patrimony described in this notice are, according to the Native American traditional knowledge of an Indian Tribe or Native Hawaiian organization, specific ceremonial objects needed by a traditional Native American religious leader for present-day adherents to practice traditional Native American religion, and have ongoing historical, traditional, or cultural importance central to the Native American group, including any constituent sub-group (such as a band, clan, lineage, ceremonial society, or other subdivision).

- There is a reasonable connection between the cultural items described in

this notice and the Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation, California.

#### Requests for Repatriation

Additional, written requests for repatriation of the cultural items in this notice must be sent to the authorized representative identified in this notice under **ADDRESSES**. Requests for repatriation may be submitted by any lineal descendant, Indian Tribe, or Native Hawaiian organization not identified in this notice who shows, by a preponderance of the evidence, that the requestor is a lineal descendant or a culturally affiliated Indian Tribe or Native Hawaiian organization.

Repatriation of the cultural items in this notice to a requestor may occur on or after April 28, 2025. If competing requests for repatriation are received, San Bernardino County Museum must determine the most appropriate requestor prior to repatriation. Requests for joint repatriation of the cultural items are considered a single request and not competing requests. San Bernardino County Museum is responsible for sending a copy of this notice to the Indian Tribes and Native Hawaiian organizations identified in this notice and to any other consulting parties.

*Authority:* Native American Graves Protection and Repatriation Act, 25 U.S.C. 3004 and the implementing regulations, 43 CFR 10.9.

Dated: March 17, 2025.

**Melanie O'Brien,**

*Manager, National NAGPRA Program.*

[FR Doc. 2025–05220 Filed 3–26–25; 8:45 am]

**BILLING CODE 4312–52–P**

## INTERNATIONAL TRADE COMMISSION

[Investigation No. 337–TA–1445]

### Certain Video Game Consoles, Routers and Gateways, and Components Thereof; Notice of Institution of Investigation

**AGENCY:** U.S. International Trade Commission.

**ACTION:** Notice.

**SUMMARY:** Notice is hereby given that a complaint was filed with the U.S. International Trade Commission on February 19, 2025, under section 337 of the Tariff Act of 1930, as amended, on behalf of AX Wireless, LLC of Austin, Texas. Supplements to the complaint were filed on March 6 and 11, 2025. The complaint alleges violations of section 337 based upon the importation into the

United States, the sale for importation, and the sale within the United States after importation of certain video game consoles, routers and gateways, and components thereof by reason of the infringement of certain claims of U.S. Patent No. 10,917,272 (“the ‘272 patent”); U.S. Patent No. 11,646,927 (“the ‘927 patent”); U.S. Patent No. 11,777,776 (“the ‘776 patent”); and U.S. Patent No. 12,063,134 (“the ‘134 patent”). The complaint further alleges that an industry in the United States exists as required by the applicable Federal Statute. The complainant requests that the Commission institute an investigation and, after the investigation, issue a limited exclusion order and cease and desist orders.

**ADDRESSES:** The complaint, except for any confidential information contained therein, may be viewed on the Commission’s electronic docket (EDIS) at <https://edis.usitc.gov>. For help accessing EDIS, please email [EDIS3Help@usitc.gov](mailto:EDIS3Help@usitc.gov). Hearing impaired individuals are advised that information on this matter can be obtained by contacting the Commission’s TDD terminal on (202) 205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at (202) 205–2000. General information concerning the Commission may also be obtained by accessing its internet server at <https://www.usitc.gov>.

**FOR FURTHER INFORMATION CONTACT:** Pathenia M. Proctor, The Office of Unfair Import Investigations, U.S. International Trade Commission, telephone (202) 205–2560.

**SUPPLEMENTARY INFORMATION:**

*Authority:* The authority for institution of this investigation is contained in section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, and in section 210.10 of the Commission’s Rules of Practice and Procedure, 19 CFR 210.10 (2025).

*Scope of Investigation:* Having considered the complaint, the U.S. International Trade Commission, on March 21, 2025, *ordered that—*

(1) Pursuant to subsection (b) of section 337 of the Tariff Act of 1930, as amended, an investigation be instituted to determine whether there is a violation of subsection (a)(1)(B) of section 337 in the importation into the United States, the sale for importation, or the sale within the United States after importation of certain products identified in paragraph (2) by reason of infringement of one or more of claims 1 and 11 of the ‘272 patent; claims 1 and 2 of the ‘927 patent; claims 1–6 of the

‘776 patent; and claims 1–7 of the ‘134 patent, and whether an industry in the United States exists as required by subsection (a)(2) of section 337;

(2) Pursuant to section 210.10(b)(1) of the Commission’s Rules of Practice and Procedure, 19 CFR 210.10(b)(1), the plain language description of the accused products or category of accused products, which defines the scope of the investigation, is “video game consoles, routers, and gateways, and components thereof”;

(3) Pursuant to Commission Rule 210.50(b)(1), 19 CFR 210.50(b)(1), the presiding administrative law judge shall take evidence or other information and hear arguments from the parties or other interested persons with respect to the public interest in this investigation, as appropriate, and provide the Commission with findings of fact and a recommended determination on this issue, which shall be limited to the statutory public interest factors set forth in 19 U.S.C. 1337(d)(1), (f)(1), (g)(1);

(4) For the purpose of the investigation so instituted, the following are hereby named as parties upon which this notice of investigation shall be served:

*The complainant is:* AX Wireless, LLC, 2025 Guadalupe Street, Suite 260, Austin, TX 78705.

(b) The respondents are the following entities alleged to be in violation of section 337, and are the parties upon which the complaint is to be served:

Sony Interactive Entertainment Inc., 1–7–1 Konan, Minato-ku, Tokyo, Japan 108–0075

Sony Interactive Entertainment LLC, 2207 Bridgepointe Parkway, San Mateo, CA 94404

Vantiva SA, 10, Boulevard De Grenelle,

Paris, Ile-de-France, France 75015

Vantiva USA, LLC, 4855 Peachtree Industrial Blvd., Suite 200, Norcross, GA 30092

(c) The Office of Unfair Import Investigations, U.S. International Trade Commission, 500 E Street SW, Suite 401, Washington, DC 20436; and

(4) For the investigation so instituted, the Chief Administrative Law Judge, U.S. International Trade Commission, shall designate the presiding Administrative Law Judge.

Responses to the complaint and the notice of investigation must be submitted by the named respondents in accordance with section 210.13 of the Commission’s Rules of Practice and Procedure, 19 CFR 210.13. Pursuant to 19 CFR 201.16(e) and 210.13(a), such responses will be considered by the Commission if received not later than 20 days after the date of service by the

Commission of the complaint and the notice of investigation. Extensions of time for submitting responses to the complaint and the notice of investigation will not be granted unless good cause therefor is shown.

Failure of a respondent to file a timely response to each allegation in the complaint and in this notice may be deemed to constitute a waiver of the right to appear and contest the allegations of the complaint and this notice, and to authorize the administrative law judge and the Commission, without further notice to the respondent, to find the facts to be as alleged in the complaint and this notice and to enter an initial determination and a final determination containing such findings, and may result in the issuance of an exclusion order or a cease and desist order or both directed against the respondent.

Issued: March 21, 2025.

**Sharon Bellamy,**

*Supervisory Hearings and Information Officer.*

[FR Doc. 2025–05172 Filed 3–26–25; 8:45 am]

**BILLING CODE 7020–02–P**

## INTERNATIONAL TRADE COMMISSION

**[Investigation Nos. 731–TA–1675–1678 (Final)]**

**Diocetyl Terephthalate (DOTP) From Malaysia, Poland, Taiwan, and Turkey; Cancellation of Hearing for Antidumping Duty Investigations**

**AGENCY:** United States International Trade Commission.

**ACTION:** Notice.

**DATES:** March 21, 2025.

**FOR FURTHER INFORMATION CONTACT:**

Jesse Sanchez ((202) 205–2402), Office of Investigations, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission’s TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its internet server (<http://www.usitc.gov>). The public record for these investigations may be viewed on the Commission’s electronic docket (EDIS) at <http://edis.usitc.gov>.

**SUPPLEMENTARY INFORMATION:** On November 5, 2024, the Commission

established a schedule for the final phase of the antidumping duty investigations (89 FR 91423, November 19, 2024). On March 19, 2025, counsel for Eastman Chemical Company (“Eastman”) and counsel for BASF Corporation (“BASF”) filed requests to appear at the hearing. No other parties submitted a request to appear at the hearing. On March 20, 2025, counsel for Eastman filed a request that the Commission cancel the scheduled hearing for these investigations and withdrew its request to appear at the hearing. On March 20, 2025, counsel for BASF withdrew its request to appear at the hearing. Counsel indicated a willingness to respond to any Commission questions in lieu of an actual hearing. Consequently, the public hearing in connection with these investigations, scheduled to begin at 9:30 a.m. on Tuesday, March 25, 2025, is cancelled. Parties to these investigations should respond to any written questions posed by the Commission in their posthearing briefs, which are due to be filed on April 1, 2025.

For further information concerning these investigations see the Commission’s notice cited above and the Commission’s Rules of Practice and Procedure, part 201, subparts A and B (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207).

**Authority:** These investigations are being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to § 207.21 of the Commission’s rules.

By order of the Commission.

Issued: March 24, 2025.

**Lisa Barton,**

*Secretary to the Commission.*

[FR Doc. 2025–05271 Filed 3–26–25; 8:45 am]

**BILLING CODE 7020–02–P**

## DEPARTMENT OF JUSTICE

### Drug Enforcement Administration

[Docket No. DEA–1526]

#### Bulk Manufacturer of Controlled Substances Application; Promega Corporation

**AGENCY:** Drug Enforcement Administration, Justice.

**ACTION:** Notice of application.

**SUMMARY:** Promega Corporation has applied to be registered as a bulk manufacturer of basic class(es) of controlled substance(s). Refer to

**SUPPLEMENTARY INFORMATION** listed below for further drug information.

**DATES:** Registered bulk manufacturers of the affected basic class(es), and applicants, therefore, may submit electronic comments on or objections to the issuance of the proposed registration on or before May 27, 2025. Such persons may also file a written request for a hearing on the application on or before May 27, 2025.

**ADDRESSES:** The Drug Enforcement Administration requires that all comments be submitted electronically through the Federal eRulemaking Portal, which provides the ability to type short comments directly into the comment field on the web page or attach a file for lengthier comments. Please go to <https://www.regulations.gov> and follow the online instructions at that site for submitting comments. Upon submission of your comment, you will receive a Comment Tracking Number. Please be aware that submitted comments are not instantaneously available for public view on <https://www.regulations.gov>. If you have received a Comment Tracking Number, your comment has been successfully submitted and there is no need to resubmit the same comment.

**SUPPLEMENTARY INFORMATION:** In accordance with 21 CFR 1301.33(a), this is notice that on February 26, 2025, Promega Corporation, 3075 Sub Zero Parkway, Fitchburg, Wisconsin 53719, applied to be registered as bulk manufacturer of the following basic class(es) of controlled substance(s):

| Controlled substance | Drug code | Schedule |
|----------------------|-----------|----------|
| Psilocybin .....     | 7437      | I        |
| Psilocyn .....       | 7438      | I        |

The company plans to bulk manufacture the listed controlled substances as Active Pharmaceutical Ingredients (API) for sale to its customers. No other activities for these drug codes are authorized for this registration.

**Matthew Strait,**

*Deputy Assistant Administrator.*

[FR Doc. 2025–05283 Filed 3–26–25; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF JUSTICE

### Drug Enforcement Administration

[Docket No. 25–19]

#### Willard J. Davis, D.O.; Decision and Order

On November 13, 2024, the Drug Enforcement Administration (DEA or

Government) issued an Order to Show Cause (OSC) to Willard J. Davis, D.O., of Round Rock, Texas (Respondent). OSC, at 1, 4. The OSC proposed the revocation of Respondent’s DEA Certificate of Registration No. BD9134254, alleging that Respondent’s DEA registration should be revoked because Respondent is “without authority to handle controlled substances in the State of Texas, the state in which [he is] registered with DEA.” *Id.* at 2 (citing 21 U.S.C. 824(a)(3)).

On December 10, 2024 Respondent filed a request for a hearing. On December 30, 2024, the Government filed a Motion for Summary Disposition, which Respondent opposed. On January 23, 2025, Administrative Law Judge Teresa A. Wallbaum (the ALJ) granted the Government’s Motion for Summary Disposition and recommended the revocation of Respondent’s registration, finding that because Respondent lacks state authority to handle controlled substances in Texas, the state in which he is registered with DEA, “[t]here is no genuine issue of material fact in this case.” Order Granting the Government’s Motion for Summary Disposition, and Recommended Rulings, Findings of Fact, Conclusions of Law, and Decision of the Administrative Law Judge (RD), at 6. Respondent did not file exceptions to the RD.

Having reviewed the entire record, the Agency adopts and hereby incorporates by reference the entirety of the ALJ’s rulings, findings of fact, conclusions of law, and recommended sanction as found in the RD and summarizes and expands upon portions thereof herein.

#### Findings of Fact

On May 16, 2024, the Texas Medical Board suspended Respondent’s Texas medical license. RD, at 3.<sup>1</sup> According to Texas online records, of which the Agency takes official notice, Respondent’s Texas medical license remains suspended.<sup>2</sup> Texas Medical Board Healthcare Provider Search, <https://profile.tmb.state.tx.us> (last visited date of signature of this Order).

Accordingly, the Agency finds that Respondent is not currently licensed to

<sup>1</sup> See also Government’s Notice of Filing of Evidence and Motion for Summary Disposition, Exhibit 1, at 3–6.

<sup>2</sup> Under the Administrative Procedure Act, an agency “may take official notice of facts at any stage in a proceeding—even in the final decision.” United States Department of Justice, Attorney General’s Manual on the Administrative Procedure Act 80 (1947) (Wm. W. Gaunt & Sons, Inc., Reprint 1979).

practice medicine in Texas, the state in which he is registered with DEA.<sup>3</sup>

### Discussion

Pursuant to 21 U.S.C. 824(a)(3), the Attorney General is authorized to suspend or revoke a registration issued under section 823 of the Controlled Substances Act (CSA) “upon a finding that the registrant . . . has had his State license or registration suspended . . . [or] revoked . . . by competent State authority and is no longer authorized by State law to engage in the . . . dispensing of controlled substances.” With respect to a practitioner, DEA has also long held that the possession of authority to dispense controlled substances under the laws of the state in which a practitioner engages in professional practice is a fundamental condition for obtaining and maintaining a practitioner’s registration. *Gonzales v. Oregon*, 546 U.S. 243, 270 (2006) (“The Attorney General can register a physician to dispense controlled substances ‘if the applicant is authorized to dispense . . . controlled substances under the laws of the State in which he practices.’ . . . The very definition of a ‘practitioner’ eligible to prescribe includes physicians ‘licensed, registered, or otherwise permitted, by the United States or the jurisdiction in which he practices’ to dispense controlled substances. § 802(21).”). The Agency has applied these principles consistently. *See, e.g., James L. Hooper, M.D.*, 76 FR 71371, 71372 (2011), *pet. for rev. denied*, 481 F. App’x 826 (4th Cir. 2012); *Frederick Marsh Blanton, M.D.*, 43 FR 27616, 27617 (1978).<sup>4</sup>

<sup>3</sup> Pursuant to 5 U.S.C. 556(e), “[w]hen an agency decision rests on official notice of a material fact not appearing in the evidence in the record, a party is entitled, on timely request, to an opportunity to show the contrary.” The material fact here is that Registrant, as of the date of this decision, is not licensed to practice medicine in Texas. Accordingly, Respondent may dispute the Agency’s finding by filing a properly supported motion for reconsideration of findings of fact within fifteen calendar days of the date of this Order. Any such motion and response shall be filed and served by email to the other party and to Office of the Administrator, Drug Enforcement Administration at [dea.addo.attorneys@dea.gov](mailto:dea.addo.attorneys@dea.gov).

<sup>4</sup> This rule derives from the text of two provisions of the CSA. First, Congress defined the term “practitioner” to mean “a physician . . . or other person licensed, registered, or otherwise permitted, by . . . the jurisdiction in which he practices . . . , to distribute, dispense, . . . [or] administer . . . a controlled substance in the course of professional practice.” 21 U.S.C. 802(21). Second, in setting the requirements for obtaining a practitioner’s registration, Congress directed that “[t]he Attorney General shall register practitioners . . . if the applicant is authorized to dispense . . . controlled substances under the laws of the State in which he practices.” 21 U.S.C. 823(g)(1). Because Congress has clearly mandated that a practitioner possess state authority in order to be deemed a practitioner under the CSA, DEA has held repeatedly that

According to Texas statute, “dispense” means “the delivery of a controlled substance in the course of professional practice or research, by a practitioner or person acting under the lawful order of a practitioner, to an ultimate user or research subject. The term includes the prescribing, administering, packaging, labeling, or compounding necessary to prepare the substance for delivery.” Tex. Health & Safety Code Ann. section 481.002(12) (2024). Further, a “practitioner” includes “a physician . . . or other person licensed, registered, or otherwise permitted to distribute, dispense, analyze, conduct research with respect to, or administer a controlled substance in the course of professional practice or research in this state.” *Id.* section 481.002(39)(A).

Here, the undisputed evidence in the record is that Respondent lacks authority to practice medicine in Texas. As discussed above, an individual must be a licensed practitioner to dispense a controlled substance in Texas. Thus, because Respondent lacks authority to practice medicine in Texas and, therefore, is not authorized to handle controlled substances in Texas, Respondent is not eligible to maintain a DEA registration. RD, at 6. Accordingly, the Agency will order that Respondent’s DEA registration be revoked.

### Order

Pursuant to 28 CFR 0.100(b) and the authority vested in me by 21 U.S.C. 824(a), I hereby revoke DEA Certificate of Registration No. BD9134254 issued to Willard J. Davis, D.O. Further, pursuant to 28 CFR 0.100(b) and the authority vested in me by 21 U.S.C. 823(g)(1), I hereby deny any pending applications of Willard J. Davis, D.O., to renew or modify this registration, as well as any other pending application of Willard J. Davis, D.O., for additional registration in Texas. This Order is effective April 28, 2025.

### Signing Authority

This document of the Drug Enforcement Administration was signed on March 20, 2025, by Acting Administrator Derek Maltz. That document with the original signature and date is maintained by DEA. For administrative purposes only, and in

revocation of a practitioner’s registration is the appropriate sanction whenever he is no longer authorized to dispense controlled substances under the laws of the state in which he practices. *See, e.g., James L. Hooper, M.D.*, 76 FR 71371–72; *Sheran Arden Yeates, M.D.*, 71 FR 39130, 39131 (2006); *Dominick A. Ricci, M.D.*, 58 FR 51104, 51105 (1993); *Bobby Watts, M.D.*, 53 FR 11919, 11920 (1988); *Frederick Marsh Blanton, M.D.*, 43 FR 27617.

compliance with requirements of the Office of the Federal Register, the undersigned DEA **Federal Register Liaison Officer** has been authorized to sign and submit the document in electronic format for publication, as an official document of DEA. This administrative process in no way alters the legal effect of this document upon publication in the **Federal Register**.

**Heather Achbach,**

*Federal Register Liaison Officer, Drug Enforcement Administration.*

[FR Doc. 2025–05166 Filed 3–26–25; 8:45 am]

BILLING CODE 4410–09–P

## DEPARTMENT OF JUSTICE

### Drug Enforcement Administration

[Docket No. 25–9]

#### Joely Keen, A.P.R.N.; Decision and Order

On September 24, 2024, the Drug Enforcement Administration (DEA or Government) issued an Order to Show Cause (OSC) to Joely Keen, A.P.R.N., of The Woodlands, Texas (Respondent). OSC, at 1, 4. The OSC proposed the revocation of Respondent’s DEA Certificate of Registration No. MK4402210, alleging that Respondent’s DEA registration should be revoked because Respondent is “without authority to prescribe, administer, dispense, or otherwise handle controlled substances in the State of Texas, the state in which [she is] registered with DEA.” *Id.* at 2 (citing 21 U.S.C. 824(a)(3)).

On October 22, 2024, Respondent requested a hearing,<sup>1</sup> and on October 23, 2024, Respondent filed an Answer to the allegations in the OSC. *See* Order For Respondent To File Answer. On November 1, 2024, the Government filed a Motion for Summary Disposition, to which Respondent did not respond. On November 19, 2024, Administrative Law Judge Paul E. Soeffing (the ALJ) granted the Government’s Motion for Summary Disposition and recommended the revocation of Respondent’s registration, finding that because Respondent lacks state authority to handle controlled substances in Texas, the state in which

<sup>1</sup> Respondent initially responded to the OSC via email on October 18, 2024, but her email did not include a hearing request. *See* Respondent’s Request for Hearing (October 18, 2024). On October 21, 2024, the Administrative Law Judge (ALJ) directed Respondent to file a request for a hearing if she desired one, along with an answer to the allegations in the OSC. Order for Respondent to File Request for Hearing and Answer and for Government to File Evidence of Lack of State Authority.

she is registered with DEA, “there is no other fact of consequence for th[e] tribunal to decide.” Order Granting the Government’s Motion for Summary Disposition, and Recommended Rulings, Findings of Fact, Conclusions of Law, and Decision of the Administrative Law Judge (RD), at 5–6. Respondent did not file exceptions to the RD.

Having reviewed the entire record, the Agency adopts and hereby incorporates by reference the entirety of the ALJ’s rulings, findings of fact, conclusions of law, and recommended sanction as found in the RD and summarizes and expands upon portions thereof herein.

### Findings of Fact

According to Texas online records, of which the Agency takes official notice, Respondent’s Texas APRN license and Texas registered nurse license are revoked.<sup>2</sup> Texas Board of Nursing License Verification Portal, <https://txbn.boardsofnursing.org/licenselookup> (last visited date of signature of this Order). Accordingly, the Agency finds that Respondent is not currently licensed to practice as an APRN or registered nurse in Texas, the state in which she is registered with DEA.<sup>3</sup>

Additionally, as of March 27, 2024, Respondent has not had an active prescriptive authority agreement with a supervisory physician, which is required for an advanced practice registered nurse (APRN) in Texas to handle controlled substances. RD, at 4; 22 Tex. Admin. Code sections 193.7(a), 222.4(a)(1)(A), 222.5(a).<sup>4</sup>

### Discussion

Pursuant to 21 U.S.C. 824(a)(3), the Attorney General is authorized to suspend or revoke a registration issued under section 823 of the Controlled Substances Act (CSA) “upon a finding

that the registrant . . . has had his State license or registration suspended . . . [or] revoked . . . by competent State authority and is no longer authorized by State law to engage in the . . . dispensing of controlled substances.” With respect to a practitioner, DEA has also long held that the possession of authority to dispense controlled substances under the laws of the state in which a practitioner engages in professional practice is a fundamental condition for obtaining and maintaining a practitioner’s registration. *Gonzales v. Oregon*, 546 U.S. 243, 270 (2006) (“The Attorney General can register a physician to dispense controlled substances ‘if the applicant is authorized to dispense . . . controlled substances under the laws of the State in which he practices.’ . . . The very definition of a ‘practitioner’ eligible to prescribe includes physicians ‘licensed, registered, or otherwise permitted, by the United States or the jurisdiction in which he practices’ to dispense controlled substances. § 802(21).”). The Agency has applied these principles consistently. See, e.g., *James L. Hooper, M.D.*, 76 FR 71371, 71372 (2011), *pet. for rev. denied*, 481 F. App’x 826 (4th Cir. 2012); *Frederick Marsh Blanton, M.D.*, 43 FR 27616, 27617 (1978).<sup>5</sup>

According to Texas statute, “dispense” means “the delivery of a controlled substance in the course of professional practice or research, by a practitioner or person acting under the lawful order of a practitioner, to an ultimate user or research subject. The term includes the prescribing, administering, packaging, labeling, or compounding necessary to prepare the substance for delivery.” Tex. Health & Safety Code Ann. section 481.002(12)

<sup>5</sup> This rule derives from the text of two provisions of the Controlled Substances Act (CSA). First, Congress defined the term “practitioner” to mean “a physician . . . or other person licensed, registered, or otherwise permitted, by . . . the jurisdiction in which he practices . . . to distribute, dispense, . . . [or] administer . . . a controlled substance in the course of professional practice.” 21 U.S.C. 802(21). Second, in setting the requirements for obtaining a practitioner’s registration, Congress directed that “[t]he Attorney General shall register practitioners . . . if the applicant is authorized to dispense . . . controlled substances under the laws of the State in which he practices.” 21 U.S.C. 823(g)(1). Because Congress has clearly mandated that a practitioner possess state authority in order to be deemed a practitioner under the CSA, DEA has held repeatedly that revocation of a practitioner’s registration is the appropriate sanction whenever he is no longer authorized to dispense controlled substances under the laws of the state in which he practices. See, e.g., *James L. Hooper, M.D.*, 76 FR 71371–72; *Sheran Arden Yeates, M.D.*, 71 FR 39130, 39131 (2006); *Dominick A. Ricci, M.D.*, 58 FR 51104, 51105 (1993); *Bobby Watts, M.D.*, 53 FR 11919, 11920 (1988); *Frederick Marsh Blanton, M.D.*, 43 FR 27617.

(2024). Further, a “practitioner” includes “an advanced practice registered nurse or physician assistant to whom a physician has delegated the authority to prescribe or order a drug or device . . . .” *Id.* section 481.002(39)(D). Texas statute provides that “[a] physician may delegate to an advanced practice registered nurse or physician assistant, acting under adequate physician supervision, the act of prescribing or ordering a drug or device as authorized through a prescriptive authority agreement between the physician and the advanced practice registered nurse or physician assistant, as applicable.” Tex. Occ. Code Ann. section 157.0512(a) (2024).

Here, the undisputed evidence in the record is that Respondent lacks authority to handle controlled substances in Texas because her Texas APRN license and Texas registered nurse license have both been revoked. Respondent also lacks authority to handle controlled substances in Texas because she has not had an active prescriptive authority agreement with a supervisory physician since March 27, 2024. As discussed above, an individual must be a licensed practitioner to dispense a controlled substance in Texas, and for an advanced practice registered nurse to meet the definition of a practitioner, he or she must be delegated the authority to handle controlled substances via a prescriptive authority agreement with a supervisory physician.

Thus, because Respondent lacks authority to practice as an advanced practice registered nurse in Texas, Respondent is not authorized to handle controlled substances in Texas and is therefore not eligible to maintain a DEA registration. RD, at 5–6.

Accordingly, the Agency will order that Respondent’s DEA registration be revoked.

### Order

Pursuant to 28 CFR 0.100(b) and the authority vested in me by 21 U.S.C. 824(a), I hereby revoke DEA Certificate of Registration No. MK4402210 issued to Joely Keen, A.P.R.N. Further, pursuant to 28 CFR 0.100(b) and the authority vested in me by 21 U.S.C. 823(g)(1), I hereby deny any pending applications of Joely Keen, A.P.R.N., to renew or modify this registration, as well as any other pending application of Joely Keen, A.P.R.N., for additional registration in Texas. This Order is effective April 28, 2025.

<sup>2</sup> Under the Administrative Procedure Act, an agency “may take official notice of facts at any stage in a proceeding—even in the final decision.” United States Department of Justice, Attorney General’s Manual on the Administrative Procedure Act 80 (1947) (Wm. W. Gaunt & Sons, Inc., Reprint 1979).

<sup>3</sup> Pursuant to 5 U.S.C. 556(e), “[w]hen an agency decision rests on official notice of a material fact not appearing in the evidence in the record, a party is entitled, on timely request, to an opportunity to show the contrary.” The material fact here is that Registrant, as of the date of this decision, is not licensed to practice medicine in Texas. Respondent may dispute this fact by filing a properly supported motion for reconsideration of findings of fact within fifteen calendar days of the date of this Order. Any such motion and response shall be filed and served by email to the other party and to Office of the Administrator, Drug Enforcement Administration at [dea.addo.attorneys@dea.gov](mailto:dea.addo.attorneys@dea.gov).

<sup>4</sup> See also Government’s Notice of Filing of Evidence and Motion for Summary Disposition, Exhibit 1.

**Signing Authority**

This document of the Drug Enforcement Administration was signed on March 18, 2025, by Acting Administrator Derek Maltz. That document with the original signature and date is maintained by DEA. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DEA Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of DEA. This administrative process in no way alters the legal effect of this document upon publication in the **Federal Register**.

**Heather Achbach,**

*Federal Register Liaison Officer, Drug Enforcement Administration.*

[FR Doc. 2025-05164 Filed 3-26-25; 8:45 am]

**BILLING CODE 4410-09-P**

**DEPARTMENT OF JUSTICE****Drug Enforcement Administration**

[Docket No.1519]

**Bulk Manufacturer of Controlled Substances Application: Bulk Manufacturer of Marihuana: Baxter Research Lab**

**AGENCY:** Drug Enforcement Administration, Justice.

**ACTION:** Notice of application.

**SUMMARY:** The Drug Enforcement Administration (DEA) is providing notice of an application it has received from an entity applying to be registered to manufacture in bulk basic class(es) of controlled substances listed in schedule I. DEA intends to evaluate this and other pending applications according to its regulations governing the program of growing marihuana for scientific and medical research under DEA registration.

**DATES:** Registered bulk manufacturers of the affected basic class(es), and applicants, therefore, may submit electronic comments on or objections to the issuance of the proposed registration on or before May 27, 2025.

**ADDRESSES:** The Drug Enforcement Administration requires that all comments be submitted electronically through the Federal eRulemaking Portal, which provides the ability to type short comments directly into the comment field on the web page or attach a file for lengthier comments. Please go to <https://www.regulations.gov> and follow the online instruction at that site for

submitting comments. Upon submission of your comment, you will receive a Comment Tracking Number. Please be aware that submitted comments are not instantaneously available for public view on <https://www.regulations.gov>. If you have received a Comment Tracking Number, your comment has been successfully submitted and there is no need to resubmit the same comment.

**SUPPLEMENTARY INFORMATION:** The Controlled Substances Act (CSA) prohibits the cultivation and distribution of marihuana except by persons who are registered under the CSA to do so for lawful purposes. In accordance with the purposes specified in 21 CFR 1301.33(a), DEA is providing notice that the entity identified below has applied for registration as a bulk manufacturer of schedule I controlled substances. In response, registered bulk manufacturers of the affected basic class(es), and applicants therefore, may submit electronic comments on or objections of the requested registration, as provided in this notice. This notice does not constitute any evaluation or determination of the merits of the application submitted.

The applicant plans to manufacture bulk active pharmaceutical ingredients (APIs) for product development and distribution to DEA registered researchers. If the application for registration is granted, the registrant would not be authorized to conduct other activity under this registration aside from those coincident activities specifically authorized by DEA regulation. DEA will evaluate the application for registration as a bulk manufacturer for compliance with all applicable laws, treaties, and regulations and to ensure adequate safeguards against diversion are in place.

As this applicant has applied to become registered as bulk manufacturer of marihuana the application will be evaluated under the criteria of 21 U.S.C. 823(a). DEA will conduct this evaluation in the manner described in the rule published at 85 FR 82333 on December 18, 2020, and reflected in DEA regulations at 21 CFR part 1318.

In accordance with 21 CFR 1301.33(a), DEA is providing notice that on August 20, 2024, Baxter Research Lab, 5200 North Lake Road, Merced, California 95343-5001, applied to be registered as bulk manufacturer of the following basic class(es) of controlled substances:

| Controlled substance | Drug code | Schedule |
|----------------------|-----------|----------|
| Marihuana .....      | 7360      | I        |

| Controlled substance       | Drug code | Schedule |
|----------------------------|-----------|----------|
| Tetrahydrocannabinols .... | 7370      | I        |

**Matthew Strait,**

*Deputy Assistant Administrator.*

[FR Doc. 2025-05276 Filed 3-26-25; 8:45 am]

**BILLING CODE 4410-09-P**

**DEPARTMENT OF JUSTICE****Drug Enforcement Administration**

[Docket No. DEA-1522]

**Importer of Controlled Substances Application: Patheon API Services, Inc.**

**AGENCY:** Drug Enforcement Administration, Justice.

**ACTION:** Notice of application.

**SUMMARY:** Patheon API Services, Inc. has applied to be registered as an importer of basic class(es) of controlled substance(s). Refer to **SUPPLEMENTARY INFORMATION** listed below for further drug information.

**DATES:** Registered bulk manufacturers of the affected basic class(es), and applicants, therefore, may submit electronic comments on or objections to the issuance of the proposed registration on or before April 28, 2025. Such persons may also file a written request for a hearing on the application on or before April 28, 2025.

**ADDRESSES:** The Drug Enforcement Administration requires that all comments be submitted electronically through the Federal eRulemaking Portal, which provides the ability to type short comments directly into the comment field on the web page or attach a file for lengthier comments. Please go to <https://www.regulations.gov> and follow the online instructions at that site for submitting comments. Upon submission of your comment, you will receive a Comment Tracking Number. Please be aware that submitted comments are not instantaneously available for public view on <https://www.regulations.gov>. If you have received a Comment Tracking Number, your comment has been successfully submitted and there is no need to resubmit the same comment. All requests for a hearing must be sent to: (1) Drug Enforcement Administration, Attn: Hearing Clerk/OALJ, 8701 Morrisette Drive, Springfield, Virginia 22152; and (2) Drug Enforcement Administration, Attn: DEA Federal Register Representative/DPW, 8701 Morrisette Drive, Springfield, Virginia 22152. All requests for a hearing should also be sent to: Drug Enforcement

Administration, Attn: Administrator, 8701 Morrisette Drive, Springfield, Virginia 22152.

**SUPPLEMENTARY INFORMATION:** In accordance with 21 CFR 1301.34(a), this is notice that on February 4, 2025, Patheon API Services, Inc., 101 Technology Place, Florence, South Carolina 29501 applied to be registered as an importer of the following basic class(es) of controlled substance(s):

| Controlled substance     | Drug code | Schedule |
|--------------------------|-----------|----------|
| Dimethyltryptamine ..... | 7435      | I        |
| Psilocybin .....         | 7437      | I        |
| Psilocyn .....           | 7438      | I        |
| Amphetamine .....        | 1100      | II       |
| Methadone .....          | 9250      | II       |

The company plans to import the listed controlled substances as reference standards for research and development as part of API Manufacturing. No other activities for these drug codes are authorized for this registration.

Approval of permit applications will occur only when the registrant's business activity is consistent with what is authorized under 21 U.S.C. 952(a)(2).

Authorization will not extend to the import of Food and Drug Administration-approved or non-approved finished dosage forms for commercial sale.

**Matthew Strait,**

*Deputy Assistant Administrator.*

[FR Doc. 2025-05280 Filed 3-26-25; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF JUSTICE

### Drug Enforcement Administration

#### Harvey Leslie, M.D.; Decision and Order

On August 19, 2024, the Drug Enforcement Administration (DEA or Government) issued an Order to Show Cause (OSC) to Harvey Leslie, M.D., of Decatur, Georgia (Registrant). Request for Final Agency Action (RFAA), Exhibit (RFAAX) 2, at 1, 3. The OSC proposed the revocation of Registrant's Certification of Registration (COR) No. FL2241305, alleging that Registrant's registration should be revoked because Registrant is "currently without authority to prescribe, administer, dispense, or otherwise handle controlled substances in the State of Georgia, the state in which [he is] registered with DEA." *Id.* at 2 (citing 21 U.S.C. 824(a)(3)).

The OSC notified Registrant of his right to file a written request for hearing, and that if he failed to file such a

request, he would be deemed to have waived his right to a hearing and be in default. *Id.* (citing 21 CFR 1301.43). Here, Registrant did not request a hearing. RFAA, at 3.<sup>1</sup> "A default, unless excused, shall be deemed to constitute a waiver of the registrant's/applicant's right to a hearing and an admission of the factual allegations of the [OSC]." 21 CFR 1301.43(e).

Further, "[i]n the event that a registrant . . . is deemed to be in default . . . DEA may then file a request for final agency action with the Administrator, along with a record to support its request. In such circumstances, the Administrator may enter a default final order pursuant to [21 CFR] § 1316.67." *Id.* § 1301.43(f)(1). Here, the Government has requested final agency action based on Registrant's default pursuant to 21 CFR 1301.43(c), (f), 1301.46. RFAA, at 4; *see also* 21 CFR 1316.67.

#### Findings of Fact

The Agency finds that, in light of Registrant's default, the factual allegations in the OSC are admitted. According to the OSC, on February 9, 2024, Registrant's Georgia medical license was revoked. RFAAX 2, at 2. According to Georgia online records, of which Agency takes official notice, Registrant's Georgia medical license remains revoked.<sup>2</sup> Georgia Composite Medical Board License Search, <https://gcmb.mylicense.com/verification> (last visited date of signature of this Order). Accordingly, the Agency finds that Registrant is not licensed to practice medicine in Georgia, the state in which he is registered with DEA.<sup>3</sup>

<sup>1</sup> Based on the Government's submissions in its RFAA dated October 24, 2024, the Agency finds that service of the OSC on Registrant was sufficient. Specifically, the included Declaration from a DEA Diversion Investigator indicates that on August 28, 2024, a copy of the OSC was personally served on Registrant at his registered address. RFAAX 6, at 2; *see also* RFAAX 4 (Report of Investigation indicating issuance of OSC).

<sup>2</sup> Under the Administrative Procedure Act, an agency "may take official notice of facts at any stage in a proceeding—even in the final decision." United States Department of Justice, Attorney General's Manual on the Administrative Procedure Act 80 (1947) (Wm. W. Gaunt & Sons, Inc., Reprint 1979).

<sup>3</sup> Pursuant to 5 U.S.C. 556(e), "[w]hen an agency decision rests on official notice of a material fact not appearing in the evidence in the record, a party is entitled, on timely request, to an opportunity to show the contrary." The material fact here is that Registrant, as of the date of this decision, is not licensed to practice medicine in Georgia. Accordingly, Registrant may dispute the Agency's finding by filing a properly supported motion for reconsideration of findings of fact within fifteen calendar days of the date of this Order. Any such motion and response shall be filed and served by email to the other party and to the DEA Office of the Administrator, Drug Enforcement Administration at [dea.addo.attorneys@dea.gov](mailto:dea.addo.attorneys@dea.gov).

#### Discussion

Pursuant to 21 U.S.C. 824(a)(3), the Attorney General is authorized to suspend or revoke a registration issued under 21 U.S.C. 823 "upon a finding that the registrant . . . has had his State license or registration suspended . . . [or] revoked . . . by competent State authority and is no longer authorized by State law to engage in the . . . dispensing of controlled substances." With respect to a practitioner, DEA has also long held that the possession of authority to dispense controlled substances under the laws of the state in which a practitioner engages in professional practice is a fundamental condition for obtaining and maintaining a practitioner's registration. *Gonzales v. Oregon*, 546 U.S. 243, 270 (2006) ("The Attorney General can register a physician to dispense controlled substances 'if the applicant is authorized to dispense . . . controlled substances under the laws of the State in which he practices.' . . . The very definition of a 'practitioner' eligible to prescribe includes physicians 'licensed, registered, or otherwise permitted, by the United States or the jurisdiction in which he practices' to dispense controlled substances. § 802(21)."). The Agency has applied these principles consistently. *See, e.g., James L. Hooper, M.D.*, 76 FR 71371, 71372 (2011), *pet. for rev. denied*, 481 F. App'x 826 (4th Cir. 2012); *Frederick Marsh Blanton, M.D.*, 43 FR 27616, 27617 (1978).<sup>4</sup>

According to Georgia statute, "dispense" means "to deliver a controlled substance to an ultimate user or research subject by or pursuant to the lawful order of a practitioner, including the prescribing, administering, packaging, labeling, or compounding

<sup>4</sup> This rule derives from the text of two provisions of the Controlled Substances Act (CSA). First, Congress defined the term "practitioner" to mean "a physician . . . or other person licensed, registered, or otherwise permitted, by . . . the jurisdiction in which he practices . . . to distribute, dispense, . . . [or] administer . . . a controlled substance in the course of professional practice." 21 U.S.C. 802(21). Second, in setting the requirements for obtaining a practitioner's registration, Congress directed that "[t]he Attorney General shall register practitioners . . . if the applicant is authorized to dispense . . . controlled substances under the laws of the State in which he practices." 21 U.S.C. 823(g)(1). Because Congress has clearly mandated that a practitioner possess state authority in order to be deemed a practitioner under the CSA, DEA has held repeatedly that revocation of a practitioner's registration is the appropriate sanction whenever he is no longer authorized to dispense controlled substances under the laws of the state in which he practices. *See, e.g., James L. Hooper, M.D.*, 76 FR 71371–72; *Sheran Arden Yeates, M.D.*, 71 FR 39130, 39131 (2006); *Dominick A. Ricci, M.D.*, 58 FR 51104, 51105 (1993); *Bobby Watts, M.D.*, 53 FR 11919, 11920 (1988); *Frederick Marsh Blanton, M.D.*, 43 FR 27617.

necessary to prepare the substance for that delivery.” Ga. Code Ann. section 16–13–21(9) (2024). Further, a “practitioner” means a “physician . . . or other person licensed, registered, or otherwise authorized under the laws of [Georgia] to distribute, dispense, conduct research with respect to, or administer a controlled substance in the course of professional practice or research in [Georgia].” *Id.* at section 16–13–21(23)(A).

Here, the undisputed evidence in the record is that Registrant lacks authority to practice medicine in Georgia. As discussed above, a physician must be a licensed practitioner to dispense a controlled substance in Georgia. Thus, because Registrant lacks authority to practice medicine in Georgia and, therefore, is not authorized to handle controlled substances in Georgia, Registrant is not eligible to maintain a DEA registration. Accordingly, the Agency will order that Registrant’s DEA registration be revoked.

Order

Pursuant to 28 CFR 0.100(b) and the authority vested in me by 21 U.S.C. 824(a), I hereby revoke DEA Certificate of Registration No. FL2241305, issued to Harvey Leslie, M.D. Further, pursuant to 28 CFR 0.100(b) and the authority vested in me by 21 U.S.C. 823(g)(1), I hereby deny any pending applications of Harvey Leslie, M.D., to renew or modify this registration, as well as any other pending application of Harvey Leslie, M.D., for additional registration in Georgia. This Order is effective April 28, 2025.

Signing Authority

This document of the Drug Enforcement Administration was signed on March 20, 2025, by Acting Administrator Derek Maltz. That document with the original signature and date is maintained by DEA. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DEA Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of DEA. This administrative process in no way alters the legal effect of this document upon publication in the **Federal Register**.

**Heather Achbach,**  
*Federal Register Liaison Officer, Drug Enforcement Administration.*  
[FR Doc. 2025–05165 Filed 3–26–25; 8:45 am]  
**BILLING CODE 4410–09–P**

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. 1523]

**Bulk Manufacturer of Controlled Substances Application: Bulk Manufacturer of Marihuana: Ohana Bio Pharma, LLC**

**AGENCY:** Drug Enforcement Administration, Justice.  
**ACTION:** Notice of application.

**SUMMARY:** The Drug Enforcement Administration (DEA) is providing notice of an application it has received from an entity applying to be registered to manufacture in bulk basic class(es) of controlled substances listed in schedule I. DEA intends to evaluate this and other pending applications according to its regulations governing the program of growing marihuana for scientific and medical research under DEA registration.

**DATES:** Registered bulk manufacturers of the affected basic class(es), and applicants, therefore, may submit electronic comments on or objections to the issuance of the proposed registration on or before May 27, 2025.

**ADDRESSES:** The Drug Enforcement Administration requires that all comments be submitted electronically through the Federal eRulemaking Portal, which provides the ability to type short comments directly into the comment field on the web page or attach a file for lengthier comments. Please go to <https://www.regulations.gov> and follow the online instructions at that site for submitting comments. Upon submission of your comment, you will receive a Comment Tracking Number. Please be aware that submitted comments are not instantaneously available for public view on <https://www.regulations.gov>. If you have received a Comment Tracking Number, your comment has been successfully submitted and there is no need to resubmit the same comment.”

**SUPPLEMENTARY INFORMATION:** The Controlled Substances Act (CSA) prohibits the cultivation and distribution of marihuana except by persons who are registered under the CSA to do so for lawful purposes. In accordance with the purposes specified in 21 CFR 1301.33(a), DEA is providing notice that the entity identified below has applied for registration as a bulk manufacturer of schedule I controlled substances. In response, registered bulk manufacturers of the affected basic class(es), and applicants therefor, may submit electronic comments on or objections of the requested registration,

as provided in this notice. This notice does not constitute any evaluation or determination of the merits of the application submitted.

The applicant plans to manufacture bulk active pharmaceutical ingredients (APIs) for product development and distribution to DEA registered researchers. If the application for registration is granted, the registrant would not be authorized to conduct other activity under this registration aside from those coincident activities specifically authorized by DEA regulations. DEA will evaluate the application for registration as a bulk manufacturer for compliance with all applicable laws, treaties, and regulations and to ensure adequate safeguards against diversion are in place.

As this applicant has applied to become registered as a bulk manufacturer of marihuana, the application will be evaluated under the criteria of 21 U.S.C. 823(a). DEA will conduct this evaluation in the manner described in the rule published at 85 FR 82333 on December 18, 2020, and reflected in DEA regulations at 21 CFR part 1318.

In accordance with 21 CFR 1301.33(a), DEA is providing notice that on December 6, 2024, Ohana Bio Pharma, LLC, 22 Frontage Road, Westerly, Rhode Island 02891 applied to be registered as a bulk manufacturer of the following basic class(es) of controlled substances:

| Controlled substance       | Drug code | Schedule |
|----------------------------|-----------|----------|
| Marihuana Extract .....    | 7350      | I        |
| Marihuana .....            | 7360      | I        |
| Tetrahydrocannabinol ..... | 7370      | I        |

**Matthew J. Strait,**  
*Deputy Assistant Administrator.*  
[FR Doc. 2025–05277 Filed 3–26–25; 8:45 am]  
**BILLING CODE P**

**DEPARTMENT OF JUSTICE**

**Drug Enforcement Administration**

[Docket No. 1524]

**Bulk Manufacturer of Controlled Substances Application: Bulk Manufacturer of Marihuana: Royal Beverages, LLC**

**AGENCY:** Drug Enforcement Administration, Justice.  
**ACTION:** Notice of application.

**SUMMARY:** The Drug Enforcement Administration (DEA) is providing

notice of an application it has received from an entity applying to be registered to manufacture in bulk basic class(es) of controlled substances listed in schedule I. DEA intends to evaluate this and other pending applications according to its regulations governing the program of growing marihuana for scientific and medical research under DEA registration.

**DATES:** Registered bulk manufacturers of the affected basic class(es), and applicants, therefore, may submit electronic comments on or objections to the issuance of the proposed registration on or before May 27, 2025.

**ADDRESSES:** The Drug Enforcement Administration requires that all comments be submitted electronically through the Federal eRulemaking Portal, which provides the ability to type short comments directly into the comment field on the web page or attach a file for lengthier comments. Please go to <https://www.regulations.gov> and follow the online instructions at that site for submitting comments. Upon submission of your comment, you will receive a Comment Tracking Number. Please be aware that submitted comments are not instantaneously available for public view on <https://www.regulations.gov>. If you have received a Comment Tracking Number, your comment has been successfully submitted and there is no need to resubmit the same comment."

**SUPPLEMENTARY INFORMATION:** The Controlled Substances Act (CSA) prohibits the cultivation and distribution of marihuana except by persons who are registered under the CSA to do so for lawful purposes. In accordance with the purposes specified in 21 CFR 1301.33(a), DEA is providing notice that the entity identified below has applied for registration as a bulk manufacturer of schedule I controlled substances. In response, registered bulk manufacturers of the affected basic class(es), and applicants therefor, may submit electronic comments on or objections of the requested registration, as provided in this notice. This notice does not constitute any evaluation or determination of the merits of the application submitted.

The applicant plans to manufacture bulk active pharmaceutical ingredients

(APIs) for product development and distribution to DEA registered researchers. If the application for registration is granted, the registrant would not be authorized to conduct other activity under this registration aside from those coincident activities specifically authorized by DEA regulations. DEA will evaluate the application for registration as a bulk manufacturer for compliance with all applicable laws, treaties, and regulations and to ensure adequate safeguards against diversion are in place.

As this applicant has applied to become registered as a bulk manufacturer of marihuana, the application will be evaluated under the criteria of 21 U.S.C. 823(a). DEA will conduct this evaluation in the manner described in the rule published at 85 FR 82333 on December 18, 2020, and reflected in DEA regulations at 21 CFR part 1318.

In accordance with 21 CFR 1301.33(a), DEA is providing notice that on October 2, 2024, Royal Beverages, LLC, 1821 Linglestown Road, Harrisburg, Pennsylvania 17110-3323 applied to be registered as a bulk manufacturer of the following basic class(es) of controlled substances:

| Controlled substance       | Drug code | Schedule |
|----------------------------|-----------|----------|
| Marihuana Extract .....    | 7350      | I        |
| Marihuana .....            | 7360      | I        |
| Tetrahydrocannabinols .... | 7370      | I        |
| Psilocybin .....           | 7437      | I        |

**Matthew Strait,**

*Deputy Assistant Administrator.*

[FR Doc. 2025-05281 Filed 3-26-25; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF JUSTICE

### Drug Enforcement Administration

[Docket No. DEA-1525]

#### Importer of Controlled Substances Application: Restek Corporation

**AGENCY:** Drug Enforcement Administration, Justice.

**ACTION:** Notice of application.

**SUMMARY:** Restek Corporation has applied to be registered as an importer of basic class(es) of controlled substance(s). Refer to **SUPPLEMENTARY INFORMATION** listed below for further drug information.

**DATES:** Registered bulk manufacturers of the affected basic class(es), and applicants, therefore, may submit electronic comments on or objections to the issuance of the proposed registration on or before April 28, 2025. Such persons may also file a written request for a hearing on the application on or before April 28, 2025.

**ADDRESSES:** The Drug Enforcement Administration requires that all comments be submitted electronically through the Federal eRulemaking Portal, which provides the ability to type short comments directly into the comment field on the web page or attach a file for lengthier comments. Please go to <https://www.regulations.gov> and follow the online instructions at that site for submitting comments. Upon submission of your comment, you will receive a Comment Tracking Number. Please be aware that submitted comments are not instantaneously available for public view on <https://www.regulations.gov>. If you have received a Comment Tracking Number, your comment has been successfully submitted and there is no need to resubmit the same comment. All requests for a hearing must be sent to: (1) Drug Enforcement Administration, Attn: Hearing Clerk/OALJ, 8701 Morrisette Drive, Springfield, Virginia 22152; and (2) Drug Enforcement Administration, Attn: DEA Federal Register Representative/DPW, 8701 Morrisette Drive, Springfield, Virginia 22152. All requests for a hearing should also be sent to: Drug Enforcement Administration, Attn: Administrator, 8701 Morrisette Drive, Springfield, Virginia 22152.

**SUPPLEMENTARY INFORMATION:** In accordance with 21 CFR 1301.34(a), this is notice that on February 20, 2025, Restek Corporation, 110 Benner Circle, Bellefonte, Pennsylvania 16823-8433, applied to be registered as an importer of the following basic class(es) of controlled substance(s):

| Controlled Substance                                                                          | Drug Code | Schedule |
|-----------------------------------------------------------------------------------------------|-----------|----------|
| Amineptine .....                                                                              | 1219      | I        |
| Mesocarb .....                                                                                | 1227      | I        |
| 3-Fluoro-N-methylcathinone (3-FMC) .....                                                      | 1233      | I        |
| Cathinone .....                                                                               | 1235      | I        |
| Methcathinone .....                                                                           | 1237      | I        |
| 4-Fluoro-N-methylcathinone (4-FMC) .....                                                      | 1238      | I        |
| Para-Methoxymethamphetamine (PMMA), 1-(4-1245 I N methoxyphenyl)-N-methylpropan-2-amine ..... | 1245      | I        |
| Pentedrone ( $\alpha$ -methylaminovalerophenone) .....                                        | 1246      | I        |

| Controlled Substance                                                                                           | Drug Code | Schedule |
|----------------------------------------------------------------------------------------------------------------|-----------|----------|
| Mephedrone (4-Methyl-N-methylcathinone) .....                                                                  | 1248      | I        |
| 4-Methyl-N-ethylcathinone (4-MEC) .....                                                                        | 1249      | I        |
| Naphyrone .....                                                                                                | 1258      | I        |
| N-Ethylamphetamine .....                                                                                       | 1475      | I        |
| Methiopropamine (N-methyl-1-(thiophen-2-yl)propan-2-amine) .....                                               | 1478      | I        |
| N,N-Dimethylamphetamine .....                                                                                  | 1480      | I        |
| Fenethylamine .....                                                                                            | 1503      | I        |
| Aminorex .....                                                                                                 | 1585      | I        |
| 4-Methylaminorex (cis isomer) .....                                                                            | 1590      | I        |
| 4,4'-Dimethylaminorex .....                                                                                    | 1595      | I        |
| Gamma Hydroxybutyric Acid .....                                                                                | 2010      | I        |
| Methaqualone .....                                                                                             | 2565      | I        |
| Mecloqualone .....                                                                                             | 2572      | I        |
| JWH-250 (1-Pentyl-3-(2-methoxyphenylacetyl) indole) .....                                                      | 6250      | I        |
| SR-18 (1-Cyclohexylethyl-3-(2-methoxyphenylacetyl) 7008 I N SR-18 and RCS-8 indole) SR-19 (1-P .....           | 7008      | I        |
| ADB-FUBINACA (N-(1-amino-3,3-dimethyl-1-oxobutan-2-yl)-1-(4-fluorobenzyl)-1H-indazole-3-carboxamide) .....     | 7010      | I        |
| 5-Fluoro-UR-144 and XLR11 ([1-(5-Fluoro-pentyl)-1H-indol-3-yl](2,2,3,3-tetramethylcyclopropyl)methanone) ..... | 7011      | I        |
| AB-FUBINACA (N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-(4-fluorobenzyl)-1H-indazole-3-carboxamide) .....          | 7012      | I        |
| 1-(4-Fluorobenzyl)-1H-indol-3-yl)(2,2,3,3- 7014 I N FUB-144 tetramethylcyclopropyl)methanone .....             | 7014      | I        |
| JWH-019 (1-Hexyl-3-(1-naphthoyl)indole) .....                                                                  | 7019      | I        |
| MDMB-FUBINACA (Methyl 2-(1-(4-fluorobenzyl)-1H-indazole-3-carboxamido)-3,3-dimethylbutanoate) .....            | 7020      | I        |
| FUB-AMB, MMB-FUBINACA, AMB-FUBINACA (2-(1-(4-fluorobenzyl)-1H-indazole-3-carboxamido)-3- .....                 | 7021      | I        |
| methylbutanoate).                                                                                              |           |          |
| AB-PINACA (N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-pentyl-1H-indazole-3-carboxamide) .....                      | 7023      | I        |
| THJ-2201 ([1-(5-fluoropentyl)-1H-indazol-3-yl](naphthalen-1-yl)methanone) .....                                | 7024      | I        |
| 5F-AB-PINACA (N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-(5-fluoropentyl)-1H-indazole-3-carboxamide) .....         | 7025      | I        |
| AB-CHMINACA (N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-(cyclohexylmethyl)-1H-indazole-3-carboxamide) .....        | 7031      | I        |
| MAB-CHMINACA (N-(1-amino-3,3-dimethyl-1-oxobutan-2-yl)-1-(cyclohexylmethyl)-1H-indazole-3-carboxamide) .....   | 7032      | I        |
| 5F-AMB (Methyl 2-(1-(5-fluoropentyl)-1H-indazole-3-carboxamido)-3-methylbutanoate) .....                       | 7033      | I        |
| 5F-ADB; 5F-MDMB-PINACA (Methyl 2-(1-(5-fluoropentyl)-1H-indazole-3-carboxamido)-3,3-dimethylbutanoate) .....   | 7034      | I        |
| ADB-PINACA (N-(1-amino-3,3-dimethyl-1-oxobutan-2-yl)-1-pentyl-1H-indazole-3-carboxamide) .....                 | 7035      | I        |
| Ethyl 2-(1-(5-fluoropentyl)-1H-indazole-3-carboxamido)-3,3-dimethylbutanoate) .....                            | 7036      | I        |
| 5F-MDMB-PICA .....                                                                                             | 7041      | I        |
| MDMB-CHMICA, MMB-CHMINACA .....                                                                                | 7042      | I        |
| Methyl 2-7043 I N (1-(4-fluorobutyl)-1H-indazole-3-carboxamido)-3,3-dimethylbutanoate) .....                   | 7043      | I        |
| MMB-CHMICA .....                                                                                               | 7044      | I        |
| FUB-AKB48; FUB-APINACA; AKB48 N-(4-FLUOROBENZYL) .....                                                         | 7047      | I        |
| APINACA and AKB48 .....                                                                                        | 7048      | I        |
| 5F-APINACA, 5F-AKB48 .....                                                                                     | 7049      | I        |
| JWH-081 (1-Pentyl-3-(1-(4-methoxynaphthoyl) indole) .....                                                      | 7081      | I        |
| 1-(5-Fluoropentyl)-1H-indazole-3-carboxamide .....                                                             | 7083      | I        |
| 5F-CUMYL-P7AICA (1-(5-fluoropentyl)-N-(2-phenylpropan-2-yl)-1H-pyrrolo[2,3-b]pyridine-3-carboxamide) .....     | 7085      | I        |
| 4-CN-CUMYL-BUTINACA .....                                                                                      | 7089      | I        |
| SR-19 (1-Pentyl-3-[(4-methoxy)-benzoyl] indole) .....                                                          | 7104      | I        |
| JWH-018 (also known as AM678) (1-Pentyl-3-(1-naphthoyl)indole) .....                                           | 7118      | I        |
| JWH-122 (1-Pentyl-3-(4-methyl-1-naphthoyl) indole) .....                                                       | 7122      | I        |
| UR-144 .....                                                                                                   | 7144      | I        |
| JWH-073 (1-Butyl-3-(1-naphthoyl)indole) .....                                                                  | 7173      | I        |
| JWH-200 (1-[2-(4-Morpholinyl)ethyl]-3-(1-naphthoyl)indole) .....                                               | 7200      | I        |
| AM2201 (1-(5-Fluoropentyl)-3-(1-naphthoyl) indole) .....                                                       | 7201      | I        |
| JWH-203 (1-Pentyl-3-(2-chlorophenylacetyl) indole) .....                                                       | 7203      | I        |
| NM2201, CBL2201 (Naphthalen-1-yl 1-(5-fluoropentyl)-1H-indole-3-carboxylate) .....                             | 7221      | I        |
| PB-22 (Quinolin-8-yl 1-pentyl-1H-indole-3-carboxylate) .....                                                   | 7222      | I        |
| 5F-PB-22 (Quinolin-8-yl 1-(5-fluoropentyl)-1H-indole-3-carboxylate) .....                                      | 7225      | I        |
| 4-methyl-alpha-ethylaminopentiophenone (4-MEAP) .....                                                          | 7245      | I        |
| N-ethylhexedrone .....                                                                                         | 7246      | I        |
| Alpha-ethyltryptamine .....                                                                                    | 7249      | I        |
| l-bogaine .....                                                                                                | 7260      | I        |
| 2-(ethylamino)-2-(3-methoxyphenyl)cyclohexan-1-one 7286 I N MXE, methoxetamine (methoxetamine) .....           | 7286      | I        |
| CP-47,497 (5-(1,1-Dimethylheptyl)-2-[(1R,3S)-3-hydroxycyclohexyl-phenol) .....                                 | 7297      | I        |
| CP-47,497 C8 Homologue (5-(1,1-Dimethyloctyl)-2-[(1R,3S)-3-hydroxycyclohexyl-phenol) .....                     | 7298      | I        |
| Lysergic acid diethylamide .....                                                                               | 7315      | I        |
| 2,5-Dimethoxy-4-(n-propylthiophenethylamine) .....                                                             | 7348      | I        |
| Marihuana extract .....                                                                                        | 7350      | I        |
| Marihuana .....                                                                                                | 7360      | I        |
| Tetrahydrocannabinols .....                                                                                    | 7370      | I        |
| Parahexyl .....                                                                                                | 7374      | I        |
| Mescaline .....                                                                                                | 7381      | I        |
| 2C-T-2, (2-(4-Ethylthio-2,5-dimethoxyphenyl) ethanamine) .....                                                 | 7385      | I        |
| 3,4,5-Trimethoxyamphetamine .....                                                                              | 7390      | I        |
| 4-Bromo-2,5-dimethoxyamphetamine .....                                                                         | 7391      | I        |
| 4-Bromo-2,5-dimethoxyphenethylamine .....                                                                      | 7392      | I        |
| 4-Methyl-2,5-dimethoxyamphetamine .....                                                                        | 7395      | I        |
| 2,5-Dimethoxyamphetamine .....                                                                                 | 7396      | I        |

| Controlled Substance                                                                    | Drug Code | Schedule |
|-----------------------------------------------------------------------------------------|-----------|----------|
| JWH-398 (1-Pentyl-3-(4-chloro-1-naphthoyl) indole) .....                                | 7398      | I        |
| 2,5-Dimethoxy-4-ethylamphetamine .....                                                  | 7399      | I        |
| 3,4-Methylenedioxamphetamine .....                                                      | 7400      | I        |
| 5-Methoxy-3,4-methylenedioxamphetamine .....                                            | 7401      | I        |
| N-Hydroxy-3,4-methylenedioxamphetamine .....                                            | 7402      | I        |
| 3,4-Methylenediox-N-ethylamphetamine .....                                              | 7404      | I        |
| 3,4-Methylenedioxymethamphetamine .....                                                 | 7405      | I        |
| 4-Methoxyamphetamine .....                                                              | 7411      | I        |
| Peyote .....                                                                            | 7415      | I        |
| 5-Methoxy-N,N-dimethyltryptamine .....                                                  | 7431      | I        |
| Alpha-methyltryptamine .....                                                            | 7432      | I        |
| Bufotenine .....                                                                        | 7433      | I        |
| Diethyltryptamine .....                                                                 | 7434      | I        |
| Dimethyltryptamine .....                                                                | 7435      | I        |
| Psilocybin .....                                                                        | 7437      | I        |
| Psilocyn .....                                                                          | 7438      | I        |
| 5-Methoxy-N,N-diisopropyltryptamine .....                                               | 7439      | I        |
| 4-chloro-alpha-pyrrolidinovalerophenone (4-chloro-a-PVP) .....                          | 7443      | I        |
| 4-methyl-alpha-pyrrolidinohexiophenone (MPHP) .....                                     | 7446      | I        |
| N-Ethyl-1-phenylcyclohexylamine .....                                                   | 7455      | I        |
| 1-(1-Phenylcyclohexyl)pyrrolidine .....                                                 | 7458      | I        |
| 1-[1-(2-Thienyl)cyclohexyl]piperidine .....                                             | 7470      | I        |
| 1-[1-(2-Thienyl)cyclohexyl]pyrrolidine .....                                            | 7473      | I        |
| N-Ethyl-3-piperidyl benzilate .....                                                     | 7482      | I        |
| N-Methyl-3-piperidyl benzilate .....                                                    | 7484      | I        |
| N-Benzylpiperazine .....                                                                | 7493      | I        |
| 4-MePPP (4-Methyl-alpha-pyrrolidinopropiophenone) .....                                 | 7498      | I        |
| 2C-D (2-(2,5-Dimethoxy-4-methylphenyl) ethanamine) .....                                | 7508      | I        |
| 2C-E (2-(2,5-Dimethoxy-4-ethylphenyl) ethanamine) .....                                 | 7509      | I        |
| 2C-H (2-(2,5-Dimethoxyphenyl) ethanamine) .....                                         | 7517      | I        |
| 2C-I (2-(4-iodo-2,5-dimethoxyphenyl) ethanamine) .....                                  | 7518      | I        |
| 2C-C (2-(4-Chloro-2,5-dimethoxyphenyl) ethanamine) .....                                | 7519      | I        |
| 2C-N (2-(2,5-Dimethoxy-4-nitro-phenyl) ethanamine) .....                                | 7521      | I        |
| 2C-P (2-(2,5-Dimethoxy-4-(n)-propylphenyl) ethanamine) .....                            | 7524      | I        |
| 2C-T-4 (2-(4-Isopropylthio)-2,5-dimethoxyphenyl) ethanamine) .....                      | 7532      | I        |
| MDPV (3,4-Methylenedioxypyrovalerone) .....                                             | 7535      | I        |
| 2-(4-bromo-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl) ethanamine) .....                   | 7536      | I        |
| 2-(4-chloro-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl) ethanamine) .....                  | 7537      | I        |
| 2-(4-iodo-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl) ethanamine) .....                    | 7538      | I        |
| Methylone (3,4-Methylenediox-N-methylcathinone) .....                                   | 7540      | I        |
| Butylone .....                                                                          | 7541      | I        |
| Pentylone .....                                                                         | 7542      | I        |
| N-Ethylpentylone, ephylone (1-(1,3-benzodioxol-5-yl)-2-(ethylamino)-pentan-1-one) ..... | 7543      | I        |
| Alpha-Pyrrolidinohexanophenone .....                                                    | 7544      | I        |
| α-PVP (alpha-pyrrolidinopentiophenone) .....                                            | 7545      | I        |
| α-PBP (alpha-pyrrolidinobutiophenone) .....                                             | 7546      | I        |
| Ethylone .....                                                                          | 7547      | I        |
| PV8, alpha-Pyrrolidinoheptaphenone .....                                                | 7548      | I        |
| AM-694 (1-(5-Fluoropentyl)-3-(2-iodobenzoyl) indole) .....                              | 7694      | I        |
| Acetyldihydrocodeine .....                                                              | 9051      | I        |
| Benzylmorphine .....                                                                    | 9052      | I        |
| Codeine-N-oxide .....                                                                   | 9053      | I        |
| Cyprenorphine .....                                                                     | 9054      | I        |
| Desomorphine .....                                                                      | 9055      | I        |
| Etorphine (except HCl) .....                                                            | 9056      | I        |
| Codeine methylbromide .....                                                             | 9070      | I        |
| Brorphine .....                                                                         | 9098      | I        |
| Dihydromorphine .....                                                                   | 9145      | I        |
| Difenoxin .....                                                                         | 9168      | I        |
| Heroin .....                                                                            | 9200      | I        |
| Hydromorphenol .....                                                                    | 9301      | I        |
| Methyldesorphine .....                                                                  | 9302      | I        |
| Methyldihydromorphine .....                                                             | 9304      | I        |
| Morphine methylbromide .....                                                            | 9305      | I        |
| Morphine methylsulfonate .....                                                          | 9306      | I        |
| Morphine-N-oxide .....                                                                  | 9307      | I        |
| Myrophine .....                                                                         | 9308      | I        |
| Nicocodeine .....                                                                       | 9309      | I        |
| Nicomorphine .....                                                                      | 9312      | I        |
| Normorphine .....                                                                       | 9313      | I        |
| Pholcodine .....                                                                        | 9314      | I        |
| Thebacon .....                                                                          | 9315      | I        |
| Acetorphine .....                                                                       | 9319      | I        |
| Drotebanol .....                                                                        | 9335      | I        |

| Controlled Substance                                                                                         | Drug Code | Schedule |
|--------------------------------------------------------------------------------------------------------------|-----------|----------|
| U-47700 (3,4-dichloro-N-[2-(dimethylamino)cyclohexyl]-N-methylbenzamide) .....                               | 9547      | I        |
| AH-7921 (3,4-dichloro-N-[(1-dimethylamino)cyclohexylmethyl]benzamide)) .....                                 | 9551      | I        |
| MT-45 (1-cyclohexyl-4-(1,2-diphenylethyl)piperazine)) .....                                                  | 9560      | I        |
| Acetylmethadol .....                                                                                         | 9601      | I        |
| Allylprodine .....                                                                                           | 9602      | I        |
| Alphacetylmethadol except levo-alphacetylmethadol .....                                                      | 9603      | I        |
| Alphameprodine .....                                                                                         | 9604      | I        |
| Alphamethadol .....                                                                                          | 9605      | I        |
| Benzethidine .....                                                                                           | 9606      | I        |
| Betacetylmethadol .....                                                                                      | 9607      | I        |
| Betameprodine .....                                                                                          | 9608      | I        |
| Betamethadol .....                                                                                           | 9609      | I        |
| Betaprodine .....                                                                                            | 9611      | I        |
| Clonitazene .....                                                                                            | 9612      | I        |
| Dextromoramide .....                                                                                         | 9613      | I        |
| Isotonitazene (N,N-diethyl-2-(2-(4 isopropoxybenzyl)-5-nitronitro- 1H-benzimidazol-1-yl)ethan-1-amine) ..... | 9614      | I        |
| Diampromide .....                                                                                            | 9615      | I        |
| Diethylthiambutene .....                                                                                     | 9616      | I        |
| Dimenoxadol .....                                                                                            | 9617      | I        |
| Dimepheptanol .....                                                                                          | 9618      | I        |
| Dimethylthiambutene .....                                                                                    | 9619      | I        |
| Dioxaphetyl butyrate .....                                                                                   | 9621      | I        |
| Dipipanone .....                                                                                             | 9622      | I        |
| Ethylmethylthiambutene .....                                                                                 | 9623      | I        |
| Etonitazene .....                                                                                            | 9624      | I        |
| Etoxidine .....                                                                                              | 9625      | I        |
| Furethidine .....                                                                                            | 9626      | I        |
| Hydroxypethidine .....                                                                                       | 9627      | I        |
| Ketobemidone .....                                                                                           | 9628      | I        |
| Levomoramide .....                                                                                           | 9629      | I        |
| Levophenacymorphan .....                                                                                     | 9631      | I        |
| Morpheridine .....                                                                                           | 9632      | I        |
| Noracymethadol .....                                                                                         | 9633      | I        |
| Norlevorphanol .....                                                                                         | 9634      | I        |
| Normethadone .....                                                                                           | 9635      | I        |
| Norpipanone .....                                                                                            | 9636      | I        |
| Phenadoxone .....                                                                                            | 9637      | I        |
| Phenampromide .....                                                                                          | 9638      | I        |
| Phenoperidine .....                                                                                          | 9641      | I        |
| Piritramide .....                                                                                            | 9642      | I        |
| Proheptazine .....                                                                                           | 9643      | I        |
| Properidine .....                                                                                            | 9644      | I        |
| Racemoramide .....                                                                                           | 9645      | I        |
| Trimeperidine .....                                                                                          | 9646      | I        |
| Phenomorphan .....                                                                                           | 9647      | I        |
| Propiram .....                                                                                               | 9649      | I        |
| 1-Methyl-4-phenyl-4-propionoxypiperidine .....                                                               | 9661      | I        |
| 1-(2-Phenylethyl)-4-phenyl-4-acetoxypiperidine .....                                                         | 9663      | I        |
| Tilidine .....                                                                                               | 9750      | I        |
| Butonitazene .....                                                                                           | 9751      | I        |
| Flunitazene .....                                                                                            | 9756      | I        |
| METONITAZENE .....                                                                                           | 9757      | I        |
| N-PYRROLIDINO ETONITAZENE; ETONITAZEPYNE .....                                                               | 9758      | I        |
| PROTONITAZENE .....                                                                                          | 9759      | I        |
| METODESNITAZENE .....                                                                                        | 9764      | I        |
| ETODESNITAZENE; ETAZENE .....                                                                                | 9765      | I        |
| Acryl fentanyl (N-(1-phenethylpiperidin-4-yl)-N-phenylacrylamide) .....                                      | 9811      | I        |
| Para-Fluorofentanyl .....                                                                                    | 9812      | I        |
| 3-Methylfentanyl .....                                                                                       | 9813      | I        |
| Alpha-Methylfentanyl .....                                                                                   | 9814      | I        |
| Acetyl-alpha-methylfentanyl .....                                                                            | 9815      | I        |
| N-(2-fluorophenyl)-N-(1-phenethylpiperidin-4-yl)propionamide .....                                           | 9816      | I        |
| Para-Methylfentanyl .....                                                                                    | 9817      | I        |
| 4'-Methyl Acetyl fentanyl .....                                                                              | 9819      | I        |
| Ortho-Methyl methoxyacetyl fentanyl .....                                                                    | 9820      | I        |
| Acetyl Fentanyl (N-(1-phenethylpiperidin-4-yl)-N-phenylacetamide) .....                                      | 9821      | I        |
| Butyryl Fentanyl .....                                                                                       | 9822      | I        |
| Para-fluorobutyryl fentanyl .....                                                                            | 9823      | I        |
| 4-Fluoroisobutyryl fentanyl .....                                                                            | 9824      | I        |
| 2-methoxy-N-(1-phenethylpiperidin-4-yl)-N-phenylacetamide .....                                              | 9825      | I        |
| Para-chloroisobutyryl fentanyl .....                                                                         | 9826      | I        |
| Isobutyryl fentanyl .....                                                                                    | 9827      | I        |
| Beta-hydroxyfentanyl .....                                                                                   | 9830      | I        |
| Beta-hydroxy-3-methylfentanyl .....                                                                          | 9831      | I        |

| Controlled Substance                                                                                                                    | Drug Code | Schedule |
|-----------------------------------------------------------------------------------------------------------------------------------------|-----------|----------|
| Alpha-methylthiofentanyl .....                                                                                                          | 9832      | I        |
| 3-Methylthiofentanyl .....                                                                                                              | 9833      | I        |
| Furanyl fentanyl .....                                                                                                                  | 9834      | I        |
| Thiofentanyl .....                                                                                                                      | 9835      | I        |
| Beta-hydroxythiofentanyl .....                                                                                                          | 9836      | I        |
| Para-methoxybutyryl fentanyl .....                                                                                                      | 9837      | I        |
| Ocfentanil .....                                                                                                                        | 9838      | I        |
| Thiofuranyl fentanyl .....                                                                                                              | 9839      | I        |
| Valeryl fentanyl .....                                                                                                                  | 9840      | I        |
| Phenyl fentanyl .....                                                                                                                   | 9841      | I        |
| Beta'-Phenyl fentanyl .....                                                                                                             | 9842      | I        |
| N-(1-phenethylpiperidin-4-yl)-N-phenyltetrahydrofuran-2-carboxamide) .....                                                              | 9843      | I        |
| Crotonyl fentanyl .....                                                                                                                 | 9844      | I        |
| Cyclopropyl Fentanyl .....                                                                                                              | 9845      | I        |
| ortho-Fluorobutyryl fentanyl (N-(2-fluorophenyl)-N-(1-phenethylpiperidin-4-yl)butyramide; also known as 2-fluorobutyryl fentanyl) ..... | 9846      | I        |
| Cyclopentyl fentanyl .....                                                                                                              | 9847      | I        |
| Ortho-Methyl acetylfentanyl .....                                                                                                       | 9848      | I        |
| Fentanyl related compounds as defined in 21 CFR 1308.11(h) .....                                                                        | 9850      | I        |
| Fentanyl Carbamate .....                                                                                                                | 9851      | I        |
| ORTHO-FLUOROACRYL FENTANYL .....                                                                                                        | 9852      | I        |
| ORTHO-FLUOROISOBUTYRYL FENTANYL .....                                                                                                   | 9853      | I        |
| Para-Fluoro furanyl fentanyl .....                                                                                                      | 9854      | I        |
| 2'-Fluoro ortho-fluorofentanyl .....                                                                                                    | 9855      | I        |
| Beta-Methyl fentanyl .....                                                                                                              | 9856      | I        |
| Zipeprol .....                                                                                                                          | 9873      | I        |
| Amphetam .....                                                                                                                          | 1100      | II       |
| Methamphetamine .....                                                                                                                   | 1105      | II       |
| Lisdexamfetamine .....                                                                                                                  | 1205      | II       |
| Phenmetrazine .....                                                                                                                     | 1631      | II       |
| Methylphenidate .....                                                                                                                   | 1724      | II       |
| Amobarbital .....                                                                                                                       | 2125      | II       |
| Pentobarbital .....                                                                                                                     | 2270      | II       |
| Secobarbital .....                                                                                                                      | 2315      | II       |
| Glutethimide .....                                                                                                                      | 2550      | II       |
| Dronabinol in an oral solution in a drug product approved for marketing by the U.S. Food and Drug Administration (FDA) .....            | 7365      | II       |
| Nabilone .....                                                                                                                          | 7379      | II       |
| 1-Phenylcyclohexylamine .....                                                                                                           | 7460      | II       |
| Phencyclidine .....                                                                                                                     | 7471      | II       |
| ANPP (4-Anilino-N-phenethyl-4-piperidine) .....                                                                                         | 8333      | II       |
| Norfentanyl .....                                                                                                                       | 8366      | II       |
| Phenylacetone .....                                                                                                                     | 8501      | II       |
| 1-Piperidinocyclohexanecarbonitrile .....                                                                                               | 8603      | II       |
| Alphaprodine .....                                                                                                                      | 9010      | II       |
| Anileridine .....                                                                                                                       | 9020      | II       |
| Coca Leaves .....                                                                                                                       | 9040      | II       |
| Cocaine .....                                                                                                                           | 9041      | II       |
| Codeine .....                                                                                                                           | 9050      | II       |
| Etorphine HCl .....                                                                                                                     | 9059      | II       |
| Dihydrocodeine .....                                                                                                                    | 9120      | II       |
| Oxycodone .....                                                                                                                         | 9143      | II       |
| Hydromorphone .....                                                                                                                     | 9150      | II       |
| Diphenoxylate .....                                                                                                                     | 9170      | II       |
| Ecgonine .....                                                                                                                          | 9180      | II       |
| Ethylmorphine .....                                                                                                                     | 9190      | II       |
| Hydrocodone .....                                                                                                                       | 9193      | II       |
| Levomethorphan .....                                                                                                                    | 9210      | II       |
| Levorphanol .....                                                                                                                       | 9220      | II       |
| Isomethadone .....                                                                                                                      | 9226      | II       |
| Meperidine .....                                                                                                                        | 9230      | II       |
| Meperidine-intermediate-A .....                                                                                                         | 9232      | II       |
| Meperidine intermediate-B .....                                                                                                         | 9233      | II       |
| Meperidine intermediate-C .....                                                                                                         | 9234      | II       |
| Metazocine .....                                                                                                                        | 9240      | II       |
| Oliceridine .....                                                                                                                       | 9245      | II       |
| Methadone .....                                                                                                                         | 9250      | II       |
| Methadone intermediate .....                                                                                                            | 9254      | II       |
| Metopon .....                                                                                                                           | 9260      | II       |
| Dextropropoxyphene, bulk (non-dosage forms) .....                                                                                       | 9273      | II       |
| Morphine .....                                                                                                                          | 9300      | II       |
| Oripavine .....                                                                                                                         | 9330      | II       |
| Thebaine .....                                                                                                                          | 9333      | II       |
| Dihydroetorphine .....                                                                                                                  | 9334      | II       |

| Controlled Substance           | Drug Code | Schedule |
|--------------------------------|-----------|----------|
| Opium, raw .....               | 9600      | II       |
| Opium extracts .....           | 9610      | II       |
| Opium fluid extract .....      | 9620      | II       |
| Opium tincture .....           | 9630      | II       |
| Opium, powdered .....          | 9639      | II       |
| Opium, granulated .....        | 9640      | II       |
| Levo-alphaacetylmethadol ..... | 9648      | II       |
| Opium poppy .....              | 9650      | II       |
| Oxymorphone .....              | 9652      | II       |
| Noroxymorphone .....           | 9668      | II       |
| Poppy Straw Concentrate .....  | 9670      | II       |
| Phenazocine .....              | 9715      | II       |
| Thiafentanil .....             | 9729      | II       |
| Piminodine .....               | 9730      | II       |
| Racemethorphan .....           | 9732      | II       |
| Racemorphan .....              | 9733      | II       |
| Alfentanil .....               | 9737      | II       |
| Remifentanil .....             | 9739      | II       |
| Sufentanil .....               | 9740      | II       |
| Carfentanil .....              | 9743      | II       |
| Tapentadol .....               | 9780      | II       |
| Bezitramide .....              | 9800      | II       |
| Fentanyl .....                 | 9801      | II       |
| Moramide-intermediate .....    | 9802      | II       |

The company plans to import the listed controlled substances for the use in the manufacture of exempted certified reference materials. No other activities for these drug codes are authorized for this registration.

Approval of permit applications will occur only when the registrant's business activity is consistent with what is authorized under 21 U.S.C. 952(a)(2). Authorization will not extend to the import of Food and Drug Administration-approved or non-approved finished dosage forms for commercial sale.

**Matthew Strait,**

*Deputy Assistant Administrator.*

[FR Doc. 2025-05282 Filed 3-26-25; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF JUSTICE

### Drug Enforcement Administration

[Docket No. DEA-1521]

#### **Bulk Manufacturer of Controlled Substances Application: Royal Emerald Pharmaceuticals**

**AGENCY:** Drug Enforcement Administration, Justice.

**ACTION:** Notice of application.

**SUMMARY:** Royal Emerald Pharmaceuticals has applied to be registered as a bulk manufacturer of basic class(es) of controlled substance(s). Refer to **SUPPLEMENTARY INFORMATION** listed below for further drug information.

**DATES:** Registered bulk manufacturers of the affected basic class(es), and applicants, therefore, may submit electronic comments on or objections to the issuance of the proposed registration on or before May 27, 2025. Such persons may also file a written request for a hearing on the application on or before May 27, 2025.

**ADDRESSES:** The Drug Enforcement Administration requires that all comments be submitted electronically through the Federal eRulemaking Portal, which provides the ability to type short comments directly into the comment field on the web page or attach a file for lengthier comments. Please go to <https://www.regulations.gov> and follow the online instructions at that site for submitting comments. Upon submission of your comment, you will receive a Comment Tracking Number. Please be aware that submitted comments are not instantaneously available for public view on <https://www.regulations.gov>. If you have received a Comment Tracking Number, your comment has been successfully submitted and there is no need to resubmit the same comment.

**SUPPLEMENTARY INFORMATION:** In accordance with 21 CFR 1301.33(a), this is notice that on February 25, 2025, Royal Emerald Pharmaceuticals, 14011 Palm Drive, Building B, Desert Hot Springs, California 92240-6845, applied to be registered as a bulk manufacturer of the following basic class(es) of controlled substance(s):

| Controlled substance        | Drug code | Schedule |
|-----------------------------|-----------|----------|
| Marihuana Extract .....     | 7350      | I        |
| Marihuana .....             | 7360      | I        |
| Tetrahydrocannabinols ..... | 7370      | I        |

The company plans to bulk manufacture the listed controlled substance to provide Marihuana (Cannabis) as botanical raw material and/or active pharmaceutical ingredients (API) to Drug Enforcement Administration-registered researchers and manufacturers. No other activities for these drug codes are authorized for this registration.

**Matthew Strait,**

*Deputy Assistant Administrator.*

[FR Doc. 2025-05279 Filed 3-26-25; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF JUSTICE

### Drug Enforcement Administration

#### **Thomas Andr'e Endicott, D.D.S.; Decision and Order**

On March 26, 2024, the Drug Enforcement Administration (DEA or Government) issued an Order to Show Cause (OSC) to Thomas Andr'e Endicott, D.D.S., of Salt Lake City, Utah (Registrant). Request for Final Agency Action (RFAA), Exhibit (RFAAX) 1, at 1, 3. The OSC proposed the revocation of Registrant's Certificate of Registration No. FE3865029, alleging that Registrant's registration should be revoked because Registrant is "currently without authority to handle controlled

substances in Utah, the state in which [he is] registered with DEA.” *Id.* at 2 (citing 21 U.S.C. 824(a)(3)).

The OSC notified Registrant of his right to file a written request for hearing, and that if he failed to file such a request, he would be deemed to have waived his right to a hearing and be in default. *Id.* (citing 21 CFR 1301.43). Here, Registrant did not request a hearing. RFAA, at 3.<sup>1</sup> “A default, unless excused, shall be deemed to constitute a waiver of the registrant’s/applicant’s right to a hearing and an admission of the factual allegations of the [OSC].” 21 CFR 1301.43(e).

Further, “[i]n the event that a registrant . . . is deemed to be in default . . . DEA may then file a request for final agency action with the Administrator, along with a record to support its request. In such circumstances, the Administrator may enter a default final order pursuant to [21 CFR] § 1316.67.” *Id.* § 1301.43(f)(1). Here, the Government has requested final agency action based on Registrant’s default pursuant to 21 CFR 1301.43(d), (e), (f)(1), 1301.46. RFAA, at 1; *see also* 21 CFR 1316.67.

### Findings of Fact

The Agency finds that, in light of Registrant’s default, the factual allegations in the OSC are admitted. According to the OSC, on February 22, 2024, both Registrant’s Utah dental

license and Utah controlled substance license were revoked. RFAAX 1, at 1–2. According to Utah online records, of which the Agency takes official notice,<sup>2</sup> both Registrant’s Utah dental license and Utah controlled substance license remain revoked. Utah Division of Professional Licensing License Lookup & Verification System, <https://secure.utah.gov/llv/search/search.html> (last visited date of signature of this Order). Accordingly, the Agency finds that Registrant is not licensed to practice as a dentist nor to handle controlled substances in Utah, the state in which he is registered with DEA.<sup>3</sup>

### Discussion

Pursuant to 21 U.S.C. 824(a)(3), the Attorney General is authorized to suspend or revoke a registration issued under 21 U.S.C. 823 “upon a finding that the registrant . . . has had his State license or registration suspended . . . [or] revoked . . . by competent State authority and is no longer authorized by State law to engage in the . . . dispensing of controlled substances.” With respect to a practitioner, DEA has also long held that the possession of authority to dispense controlled substances under the laws of the state in which a practitioner engages in professional practice is a fundamental condition for obtaining and maintaining a practitioner’s registration. *Gonzales v. Oregon*, 546 U.S. 243, 270 (2006) (“The Attorney General can register a physician to dispense controlled substances ‘if the applicant is authorized to dispense . . . controlled substances under the laws of the State in which he practices.’ . . . The very definition of a ‘practitioner’ eligible to prescribe includes physicians ‘licensed, registered, or otherwise permitted, by the United States or the jurisdiction in which he practices’ to dispense controlled substances. § 802(21).”). The Agency has applied these principles

consistently. *See, e.g., James L. Hooper, M.D.*, 76 FR 71,371, 71,372 (2011), *pet. for rev. denied*, 481 F. App’x 826 (4th Cir. 2012); *Frederick Marsh Blanton, M.D.*, 43 FR 27,616, 27,617 (1978).<sup>4</sup>

Under Utah statute, “[e]very person who manufactures, produces, distributes, prescribes, dispenses, administers, conducts research with, or performs laboratory analysis upon any controlled substance in Schedules I through V within [the] state . . . shall obtain a license issued by the [Division of Professional Licensing].” Utah Code Ann. § 58–37–6(2)(a)(i) (2024).

Here, the undisputed evidence in the record is that Registrant lacks authority to handle controlled substances in Utah because both Registrant’s Utah dental license and Registrant’s Utah controlled substance license are revoked. As discussed above, an individual must hold a Utah controlled substance license to dispense a controlled substance in Utah. Thus, because Registrant lacks authority to handle controlled substances in Utah, Registrant is not eligible to maintain a DEA registration. Accordingly, the Agency will order that Registrant’s DEA registration be revoked.

### Order

Pursuant to 28 CFR 0.100(b) and the authority vested in me by 21 U.S.C. 824(a), I hereby revoke DEA Certificate of Registration No. FE3865029 issued to Thomas Andr’e Endicott, D.D.S. Further, pursuant to 28 CFR 0.100(b) and the authority vested in me by 21 U.S.C. 823(g)(1), I hereby deny any pending applications of Thomas Andr’e Endicott, D.D.S., to renew or modify this registration, as well as any other pending application of Thomas Andr’e

<sup>1</sup> Based on the Government’s submissions in its RFAA dated May 24, 2024, the Agency finds that service of the OSC on Registrant was adequate. An included declaration from a DEA Diversion Investigator (DI) indicates that on March 27, 2024, the DI attempted to personally serve Registrant at Registrant’s registered address, but Registrant was not present and had not been seen at the premises since November 2023. RFAAX 2, at 2. On March 28, 2024, the DI requested that the Phoenix Field Division perform additional diligence in locating and serving Registrant with the OSC, which was ultimately unsuccessful. *Id.*; *see also* RFAAX 3, at 1 (attempt by a second Diversion Investigator to personally serve Registrant with the OSC at Registrant’s last known address in Arizona on April 5, 2024). On April 8, 2024, the DI emailed a copy of the OSC to Registrant’s registered email address, and the email was not returned as undeliverable. *Id.*; *see also id.*, Attachment 1, at 1. On the same date, the DI also mailed copies of the OSC via USPS certified mail and USPS First Class mail to Registrant at his registered address, both of which were returned back to the DI. RFAAX 2, at 2–3; *see also id.*, Attachments 2–3. Here, the Agency finds that Registrant was successfully served the OSC by email and that the DI’s efforts to serve Registrant by other means were “‘reasonably calculated, under all the circumstances, to apprise [Registrant] of the pendency of the action.’” *Jones v. Flowers*, 547 U.S. 220, 226 (2006) (quoting *Mullane v. Central Hanover Bank & Trust Co.*, 339 U.S. 306, 314 (1950)); *see also Mohammed S. Aljanaby, M.D.*, 82 FR 34,552, 34,552 (2017) (finding that service by email satisfies due process where the email is not returned as undeliverable and other methods have been unsuccessful). Therefore, due process notice requirements have been satisfied.

<sup>2</sup> Under the Administrative Procedure Act, an agency “may take official notice of facts at any stage in a proceeding—even in the final decision.” United States Department of Justice, Attorney General’s Manual on the Administrative Procedure Act 80 (1947) (Wm. W. Gaunt & Sons, Inc., Reprint 1979).

<sup>3</sup> Pursuant to 5 U.S.C. 556(e), “[w]hen an agency decision rests on official notice of a material fact not appearing in the evidence in the record, a party is entitled, on timely request, to an opportunity to show the contrary.” The material fact here is that Registrant, as of the date of this decision, is not licensed to practice as a dentist in Utah. Accordingly, Registrant may dispute the Agency’s finding by filing a properly supported motion for reconsideration of findings of fact within fifteen calendar days of the date of this Order. Any such motion and response shall be filed and served by email to the other party and to the DEA Office of the Administrator, Drug Enforcement Administration at [dea.addo.attorneys@dea.gov](mailto:dea.addo.attorneys@dea.gov).

<sup>4</sup> This rule derives from the text of two provisions of the Controlled Substances Act (CSA). First, Congress defined the term “practitioner” to mean “a physician . . . or other person licensed, registered, or otherwise permitted, by . . . the jurisdiction in which he practices . . . , to distribute, dispense, . . . [or] administer . . . a controlled substance in the course of professional practice.” 21 U.S.C. 802(21). Second, in setting the requirements for obtaining a practitioner’s registration, Congress directed that “[t]he Attorney General shall register practitioners . . . if the applicant is authorized to dispense . . . controlled substances under the laws of the State in which he practices.” 21 U.S.C. 823(g)(1). Because Congress has clearly mandated that a practitioner possess state authority in order to be deemed a practitioner under the CSA, DEA has held repeatedly that revocation of a practitioner’s registration is the appropriate sanction whenever he is no longer authorized to dispense controlled substances under the laws of the state in which he practices. *See, e.g., James L. Hooper, M.D.*, 76 FR at 71,371–72; *Sheran Arden Yeates, M.D.*, 71 FR 39,130, 39,131 (2006); *Dominick A. Ricci, M.D.*, 58 FR 51,104, 51,105 (1993); *Bobby Watts, M.D.*, 53 FR 11,919, 11,920 (1988); *Frederick Marsh Blanton, M.D.*, 43 FR at 27,617.

Endicott, D.D.S., for additional registration in Utah. This Order is effective April 28, 2025.

#### Signing Authority

This document of the Drug Enforcement Administration was signed on March 21, 2025, by Acting Administrator Derek Maltz. That document with the original signature and date is maintained by DEA. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DEA Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of DEA. This administrative process in no way alters the legal effect of this document upon publication in the **Federal Register**.

**Heather Achbach,**

*Federal Register Liaison Officer, Drug Enforcement Administration.*

[FR Doc. 2025-05163 Filed 3-26-25; 8:45 am]

**BILLING CODE 4410-09-P**

## DEPARTMENT OF JUSTICE

### Drug Enforcement Administration

[Docket No. DEA1516]

#### Importer of Controlled Substances Application: SpecGx LLC

**AGENCY:** Drug Enforcement Administration Justice.

**ACTION:** Notice of application.

**SUMMARY:** SpecGx LLC has applied to be registered as an importer of basic class(es) of controlled substance(s). Refer to **SUPPLEMENTARY INFORMATION** listed below for further drug information.

**DATES:** Registered bulk manufacturers of the affected basic class(es), and applicants therefore, may submit electronic comments on or objections to the issuance of the proposed registration on or before April 28, 2025. Such persons may also file a written request for a hearing on the application on or before April 28, 2025.

**ADDRESSES:** The Drug Enforcement Administration requires that all comments be submitted electronically through the Federal eRulemaking Portal, which provides provides the ability to type short comments directly into the comment field on the web page or attach a file for lengthier comments. Please go to <https://www.regulations.gov> and follow the online instructions at that site for submitting comments. Upon submission of your comment, you will

receive a Comment Tracking Number. Please be aware that submitted comments are not instantaneously available for public view on <https://www.regulations.gov>. If you have received a Comment Tracking Number, your comment has been successfully submitted and there is no need to resubmit the same comment. All requests for a hearing must be sent to (1) Drug Enforcement Administration, Attn: Hearing Clerk/OALJ, 8701 Morrisette Drive, Springfield, Virginia 22152, and (2) Drug Enforcement Administration, Attn: DEA Federal Register Representative/DPW, 8701 Morrisette Drive, Springfield, Virginia 22152. All requests for a hearing should also be sent to: Drug Enforcement Administration, Attn: Administrator, 8701 Morrisette Drive, Springfield, Virginia 22152.

**SUPPLEMENTARY INFORMATION:** In accordance with 21 CFR 1301.34(a), this is notice that on February 17, 2025, SpecGx LLC, 3600 North 2nd Street, Saint Louis, Missouri 63147-3457, applied to be registered as an importer of the following basic class(es) of controlled substance(s):

| Controlled substance    | Drug code | Schedule |
|-------------------------|-----------|----------|
| Phenylacetone .....     | 8501      | II       |
| Coca Leaves .....       | 9040      | II       |
| Thebaine .....          | 9333      | II       |
| Opium, raw .....        | 9600      | II       |
| Poppy Straw Concentrate | 9670      | II       |
| Tapentadol .....        | 9780      | II       |

The company plans to import the listed controlled substances for bulk manufacture into Active Pharmaceutical Ingredients for distribution to its customers. In reference to Tapentadol (9780) and Thebaine (9333), the company plans to import intermediate forms of these controlled substances for further manufacturing prior to distribution to its customers. No other activities for these drugs are authorized for this registration. Placement of these codes onto the company's registration does not translate into automatic approval of subsequent permit applications to import controlled substances.

Approval of permit applications will occur only when the registrant's business activity is consistent with what is authorized under 21 U.S.C. 952(a)(2). Authorization will not extend to the import of Food and Drug Administration

approved or non-approved finished dosage forms for commercial sale.

**Matthew Strait,**

*Deputy Assistant Administrator.*

[FR Doc. 2025-05278 Filed 3-26-25; 8:45 am]

**BILLING CODE P**

## OFFICE OF PERSONNEL MANAGEMENT

### Submission for Review: 3206-0206, Evidence To Prove Dependency of a Child, RI 25-37

**AGENCY:** Office of Personnel Management.

**ACTION:** 60-Day notice and request for comments.

**SUMMARY:** Office of Personnel Management (OPM) Retirement Services offers the general public and other federal agencies the opportunity to comment on the reinstatement of an expired information collection request (ICR), Evidence to Prove Dependency of a Child, RI 25-37.

**DATES:** Comments are encouraged and will be accepted until May 27, 2025.

**ADDRESSES:** You may submit comments, identified by docket number and/or OMB Control Number and title, by the following method:

—*Federal Rulemaking Portal:* <https://www.regulations.gov>. Follow the instructions for submitting comments.

All submissions received must include the agency name and docket number or RIN for this document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing at <https://www.regulations.gov> as they are received without change, including any personal identifiers or contact information.

**FOR FURTHER INFORMATION CONTACT:** A copy of this ICR with applicable supporting documentation may be obtained by contacting the Retirement Services Publications Team, Office of Personnel Management, 1900 E Street NW, Room 3316-L, Washington, DC 20415, Attention: Cyrus S. Benson, or sent via electronic mail to [RSPublicationsTeam@opm.gov](mailto:RSPublicationsTeam@opm.gov) or faxed to (202) 606-0910 or via telephone at (202) 936-0401.

**SUPPLEMENTARY INFORMATION:** As required by the Paperwork Reduction Act of 1995 (Pub. L. 104-13, 44 U.S.C. chapter 35) as amended by the Clinger-Cohen Act (Pub. L. 104-106), OPM is soliciting comments for this collection (OMB No. 3206-0206).

The Office of Personnel Management is particularly interested in comments that:

1. Evaluate whether the proposed collection of information is necessary for the proper performance of functions of the agency, including whether the information will have practical utility;

2. Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

3. Enhance the quality, utility, and clarity of the information to be collected; and

4. Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submissions of responses.

RI 25–37 is designed to collect sufficient information for the Office of Personnel Management to determine whether the surviving child of a deceased federal employee or annuitant is eligible to receive benefits as a dependent child.

#### Analysis

*Agency:* Retirement Operations, Retirement Services, Office of Personnel Management.

*Title:* Evidence to Prove Dependency of a Child.

*OMB Number:* 3206–0206.

*Frequency:* On occasion.

*Affected Public:* Individuals or Households.

*Number of Respondents:* 250.

*Estimated Time per Respondent:* 1 hour.

*Total Burden Hours:* 250.

Office of Personnel Management.

**Jerson Matias,**

*Federal Register Liaison.*

[FR Doc. 2025–05159 Filed 3–26–25; 8:45 am]

**BILLING CODE 6325–38–P**

#### OFFICE OF PERSONNEL MANAGEMENT

##### Submission for Review: Verification of Who Is Getting Payments, RI 38–107 and RI 38–147

**AGENCY:** Office of Personnel Management.

**ACTION:** 60-Day notice and request for comments.

**SUMMARY:** Office of Personnel Management (OPM), Retirement Services offers the general public and

other federal agencies the opportunity to comment on the reinstatement of an expired information collection request (ICR), Verification of Who is Getting Payments, RI 38–107 and RI 38–147.

**DATES:** Comments are encouraged and will be accepted until May 27, 2025.

**ADDRESSES:** You may submit comments, identified by docket number and/or OMB Control Number and title, by the following method:

—*Federal Rulemaking Portal:* <https://www.regulations.gov>. Follow the instructions for submitting comments.

All submissions received must include the agency name and docket number or RIN for this document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing at <https://www.regulations.gov> as they are received without change, including any personal identifiers or contact information.

**FOR FURTHER INFORMATION CONTACT:** A copy of this ICR with applicable supporting documentation, may be obtained by contacting the Retirement Services Publications Team, Office of Personnel Management, 1900 E Street NW, Room 3316–L, Washington, DC 20415, Attention: Cyrus S. Benson, or sent via electronic mail to [RSPublicationsTeam@OPM.gov](mailto:RSPublicationsTeam@OPM.gov) or faxed to (202) 606–0910 or via telephone at (202) 936–0401.

**SUPPLEMENTARY INFORMATION:** As required by the Paperwork Reduction Act of 1995 (Pub. L. 104–13, 44 U.S.C. chapter 35) as amended by the Clinger-Cohen Act (Pub. L. 104–106), OPM is soliciting comments for this collection (OMB No. 3206–0197). The Office of Management and Budget is particularly interested in comments that:

1. Evaluate whether the proposed collection of information is necessary for the proper performance of functions of the agency, including whether the information will have practical utility;

2. Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

3. Enhance the quality, utility, and clarity of the information to be collected; and

4. Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submissions of responses.

RI 38–107 is designed for use by the Retirement Inspection Branch when OPM, for any reason, must verify that the entitled person is indeed receiving the monies payable. RI 38–147 collects the same information and is used by other groups within Retirement Operations. Failure to collect this information would cause OPM to pay monies absent the assurance of a correct payee. OPM is specifically seeking comments on the proposed burden and respondent audience.

#### Analysis

*Agency:* Retirement Operations, Retirement Services, Office of Personnel Management.

*Title:* Verification of Who is Getting Payments.

*OMB Number:* 3206–0197.

*Frequency:* On occasion.

*Affected Public:* Individuals or Households.

*Number of Respondents:* 25,400.

*Estimated Time per Respondent:* 10 minutes.

*Total Burden Hours:* 4,234 hours.

U.S. Office of Personnel Management.

**Jerson Matias,**

*Federal Register Liaison.*

[FR Doc. 2025–05162 Filed 3–26–25; 8:45 am]

**BILLING CODE 6325–38–P**

#### OFFICE OF PERSONNEL MANAGEMENT

##### Submission for Review: 3206–0179, Disabled Dependent Questionnaire, RI 30–10

**AGENCY:** Office of Personnel Management.

**ACTION:** 60-Day notice and request for comments.

**SUMMARY:** Office of Personnel Management (OPM) Retirement Services offers the general public and other federal agencies the opportunity to comment on the reinstatement of an expired information collection request (ICR), Disabled Dependent Questionnaire, RI 30–10.

**DATES:** Comments are encouraged and will be accepted until May 27, 2025.

**ADDRESSES:** You may submit comments, identified by docket number and/or OMB Control Number and title, by the following method:

—*Federal Rulemaking Portal:* <https://www.regulations.gov>. Follow the instructions for submitting comments.

All submissions received must include the agency name and docket number or OMB Control Number for this document. The general policy for

comments and other submissions from members of the public is to make these submissions available for public viewing at <https://www.regulations.gov> as they are received without change, including any personal identifiers or contact information.

**FOR FURTHER INFORMATION CONTACT:** A copy of this ICR with applicable supporting documentation, may be obtained by contacting the Retirement Services Publications Team, Office of Personnel Management, 1900 E Street NW, Room 3316-L, Washington, DC 20415, Attention: Cyrus S. Benson, or via electronic mail to [RSPublicationsTeam@opm.gov](mailto:RSPublicationsTeam@opm.gov) or faxed at (202) 606-0910 or via telephone at (202) 936-0401.

**SUPPLEMENTARY INFORMATION:** As required by the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35) as amended, OPM is soliciting comments for this collection (OMB No. 3206-0179). The Office of Personnel Management is particularly interested in comments that:

1. Evaluate whether the proposed collection of information is necessary for the proper performance of functions of the agency, including whether the information will have practical utility;
2. Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
3. Enhance the quality, utility, and clarity of the information to be collected; and
4. Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submissions of responses.

RI 30-10 is used to collect information about the medical condition and earning capacity of a disabled adult child to allow the Office of Personnel Management to determine whether a disabled adult child is eligible for health benefits coverage and/or survivor annuity payments under the Civil Service Retirement System or the Federal Employees Retirement System.

#### Analysis

**Agency:** Retirement Operations, Retirement Services, Office of Personnel Management.

**Title:** Disabled Dependent Questionnaire.

**OMB Number:** 3206-0179.

**Frequency:** On occasion.

**Affected Public:** Individuals or Households.

**Number of Respondents:** 2,500.

**Estimated Time per Respondent:** 1 hour.

**Total Burden Hours:** 2,500.

U.S. Office of Personnel Management.

**Jerson Matias,**

*Federal Register Liaison.*

[FR Doc. 2025-05160 Filed 3-26-25; 8:45 am]

**BILLING CODE 6325-38-P**

#### OFFICE OF PERSONNEL MANAGEMENT

**Submission for Review: 3206-0167, Financial Resources Questionnaire (RI 34-1, RI 34-17, and RI 34-18) and Notice of Amount Due Because of Annuity Overpayment (RI 34-3, RI 34-19, and RI 34-20)**

**AGENCY:** Office of Personnel Management.

**ACTION:** 60-Day notice and request for comments.

**SUMMARY:** Office of Personnel Management (OPM) offers the general public and other federal agencies the opportunity to comment on the reinstatement of an expired information collection: Financial Resources Questionnaire (RI 34-1, RI 34-17, and RI 34-18) and Notice of Amount Due Because Of Annuity Overpayment (RI 34-3, RI 34-19, and RI 34-20).

**DATES:** Comments are encouraged and will be accepted until May 27, 2025.

**ADDRESSES:** You may submit comments, identified by docket number and/or Regulatory Information Number (RIN) and title, by the following method:

—*Federal Rulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments.

All submissions received must include the agency name and docket number or RIN for this document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing at <http://www.regulations.gov> as they are received without change, including any personal identifiers or contact information.

**FOR FURTHER INFORMATION CONTACT:** A copy of this ICR with applicable supporting documentation may be obtained by contacting the Retirement Services Publications Team, Office of Personnel Management, 1900 E Street NW, Room 3316-L, Washington, DC 20415, Attention: Cyrus S. Benson, or via electronic mail at [RSPublicationsTeam@opm.gov](mailto:RSPublicationsTeam@opm.gov) or fax at

(202) 606-0910 or via telephone at (202) 936-0401.

**SUPPLEMENTARY INFORMATION:** As required by the Paperwork Reduction Act of 1995, as amended, (44 U.S.C. chapter 35), OPM is soliciting comments for this collection (OMB No. 3206-0167). RI 34-1 (Financial Resources Questionnaire) collects detailed financial information for use by OPM to determine whether to agree to a waiver, compromise, or adjustment of the collection of erroneous payments from the Civil Service Retirement and Disability Fund. Similarly, RI 34-17 (Financial Resources Questionnaire—Federal Employees' Group Life Insurance Premiums Underpaid) and RI 34-18 (Financial Resources Questionnaire—Federal Employees Health Benefits Premiums Underpaid) collect detailed financial information for use by OPM to determine whether to agree to a waiver, compromise, or adjustment of the collection of an underpayment of Federal Employees' Group Life Insurance (FEGLI) or Federal Employees Health Benefits (FEHB) premiums.

RI 34-3 (Notice of Amount Due Because Of Annuity Overpayment), RI 34-19 (Notice of Amount Due Because of FEGLI Premium Underpayment), and RI 34-20 (Notice of Amount Due Because of FEHB Premium Underpayment) inform the annuitant about the over- or under- payment and collect information from the annuitant about how repayment will be made.

OPM is particularly interested in public comment addressing the following issues:

1. Whether this collection is necessary to the proper functions of OPM;
2. Whether this information will be processed and used in a timely manner;
3. The accuracy of the agency's estimate of the burden of this collection;
4. Ways in which OPM might enhance the quality, utility, and clarity of the information to be collected; and
5. Ways in which OPM might minimize the burden of this collection on the respondents, including through the use of information technology.

#### Analysis

**Agency:** Retirement Operations, Retirement Services, Office of Personnel Management.

**Title:** Financial Resources Questionnaire/Notice of Debt Due Because of Annuity Overpayment or Premium Underpayment.

**OMB Number:** 3206-0167.

**Frequency:** On occasion.

**Affected Public:** Individuals or Households.

**Number of Respondents:** 2,081.

*Estimated Time per Respondent:* 60 minutes.

*Total Burden Hours:* 2,081 hours.

U.S. Office of Personnel Management.

**Jerson Matias,**

*Federal Register Liaison.*

[FR Doc. 2025-05161 Filed 3-26-25; 8:45 am]

**BILLING CODE 6325-38-P**

## POSTAL REGULATORY COMMISSION

[Docket Nos. MC2025-1249 and K2025-1248; MC2025-1250 and K2025-1249; MC2025-1251 and K2025-1250; MC2025-1252 and K2025-1251; MC2025-1253 and K2025-1252; MC2025-1254 and K2025-1253]

### New Postal Products

**AGENCY:** Postal Regulatory Commission.  
**ACTION:** Notice.

**SUMMARY:** The Commission is noticing a recent Postal Service filing for the Commission's consideration concerning a negotiated service agreement. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

**DATES:** *Comments are due:* April 1, 2025.

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

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

### SUPPLEMENTARY INFORMATION:

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- I. Introduction
- II. Public Proceeding(s)
- III. Summary Proceeding(s)

#### I. Introduction

Pursuant to 39 CFR 3041.405, the Commission gives notice that the Postal Service filed request(s) for the Commission to consider matters related to Competitive negotiated service agreement(s). The request(s) may propose the addition of a negotiated service agreement from the Competitive product list or the modification of an existing product currently appearing on the Competitive product list.

The public portions of the Postal Service's request(s) can be accessed via the Commission's website (<http://www.prc.gov>). Non-public portions of the Postal Service's request(s), if any,

can be accessed through compliance with the requirements of 39 CFR 3011.301.<sup>1</sup>

Section II identifies the docket number(s) associated with each Postal Service request, if any, that will be reviewed in a public proceeding as defined by 39 CFR 3010.101(p), the title of each such request, the request's acceptance date, and the authority cited by the Postal Service for each request. For each such request, the Commission appoints an officer of the Commission to represent the interests of the general public in the proceeding, pursuant to 39 U.S.C. 505 and 39 CFR 3000.114 (Public Representative). Section II also establishes comment deadline(s) pertaining to each such request.

The Commission invites comments on whether the Postal Service's request(s) identified in Section II, if any, are consistent with the policies of title 39. Applicable statutory and regulatory requirements include 39 U.S.C. 3632, 39 U.S.C. 3633, 39 U.S.C. 3642, 39 CFR part 3035, and 39 CFR part 3041. Comment deadline(s) for each such request, if any, appear in Section II.

Section III identifies the docket number(s) associated with each Postal Service request, if any, to add a standardized distinct product to the Competitive product list or to amend a standardized distinct product, the title of each such request, the request's acceptance date, and the authority cited by the Postal Service for each request. Standardized distinct products are negotiated service agreements that are variations of one or more Competitive products, and for which financial models, minimum rates, and classification criteria have undergone advance Commission review. See 39 CFR 3041.110(n); 39 CFR 3041.205(a). Such requests are reviewed in summary proceedings pursuant to 39 CFR 3041.325(c)(2) and 39 CFR 3041.505(f)(1). Pursuant to 39 CFR 3041.405(c)-(d), the Commission does not appoint a Public Representative or request public comment in proceedings to review such requests.

#### II. Public Proceeding(s)

1. *Docket No(s).*: MC2025-1249 and K2025-1248; *Filing Title:* USPS Request to Add Priority Mail & USPS Ground Advantage Contract 657 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* March 21, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR

3035.105, and 39 CFR 3041.310; *Public Representative:* Almaroof Agoro; *Comments Due:* April 1, 2025.

2. *Docket No(s).*: MC2025-1250 and K2025-1249; *Filing Title:* USPS Request to Add Priority Mail & USPS Ground Advantage Contract 658 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* March 21, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Kenneth Moeller; *Comments Due:* April 1, 2025.

3. *Docket No(s).*: MC2025-1251 and K2025-1250; *Filing Title:* USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 1353 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* March 21, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Christopher Mohr; *Comments Due:* April 1, 2025.

4. *Docket No(s).*: MC2025-1252 and K2025-1251; *Filing Title:* USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 1354 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* March 21, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Maxine Bradley; *Comments Due:* April 1, 2025.

5. *Docket No(s).*: MC2025-1253 and K2025-1252; *Filing Title:* USPS Request to Add Priority Mail & USPS Ground Advantage Contract 659 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* March 21, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Jennaca Upperman; *Comments Due:* April 1, 2025.

6. *Docket No(s).*: MC2025-1254 and K2025-1253; *Filing Title:* USPS Request to Add Priority Mail & USPS Ground Advantage Contract 660 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* March 21, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Christopher Mohr; *Comments Due:* April 1, 2025.

#### III. Summary Proceeding(s)

None. See Section II for public proceedings.

<sup>1</sup> See Docket No. RM2018-3, Order Adopting Final Rules Relating to Non-Public Information, June 27, 2018, Attachment A at 19-22 (Order No. 4679).

This Notice will be published in the **Federal Register**.

**Erica A. Barker,**  
*Secretary.*

[FR Doc. 2025–05268 Filed 3–26–25; 8:45 am]

**BILLING CODE 7710–FW–P**

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## POSTAL SERVICE

### **Product Change—Priority Mail Express, Priority Mail, and USPS Ground Advantage® Negotiated Service Agreement**

**AGENCY:** Postal Service™.  
**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.  
**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean C. Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 17, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage® Contract 1345 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1235, K2025–1234.

**Sean C. Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05187 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

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## POSTAL SERVICE

### **Product Change—Priority Mail Express, Priority Mail, and USPS Ground Advantage® Negotiated Service Agreement**

**AGENCY:** Postal Service™.  
**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.  
**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean C. Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 19, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage® Contract 1348 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1241, K2025–1240.

**Sean C. Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05190 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

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## POSTAL SERVICE

### **Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement**

**AGENCY:** Postal Service™.  
**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.  
**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 20, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 658 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1250, K2025–1249.

**Sean Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05185 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

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## POSTAL SERVICE

### **Product Change—Priority Mail Express, Priority Mail, and USPS Ground Advantage® Negotiated Service Agreement**

**AGENCY:** Postal Service™.  
**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a

domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean C. Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 21, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage® Contract 1353 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1251, K2025–1250.

**Sean C. Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05194 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

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## POSTAL SERVICE

### **Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement**

**AGENCY:** Postal Service™.  
**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 17, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 650 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1234, K2025–1233.

**Sean Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05177 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

**POSTAL SERVICE****Product Change—Priority Mail Express, Priority Mail, and USPS Ground Advantage® Negotiated Service Agreement****AGENCY:** Postal Service™.**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean C. Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 20, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage® Contract 1349 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1243, K2025–1242.

**Sean C. Robinson,**

*Attorney, Corporate and Postal Business Law.*

[FR Doc. 2025–05191 Filed 3–26–25; 8:45 am]

**BILLING CODE 7710–12–P**

**POSTAL SERVICE****Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement****AGENCY:** Postal Service™.**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 18, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 652 to Competitive Product List*. Documents

are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1238, K2025–1237.

**Sean Robinson,**

*Attorney, Corporate and Postal Business Law.*

[FR Doc. 2025–05179 Filed 3–26–25; 8:45 am]

**BILLING CODE 7710–12–P**

**POSTAL SERVICE****Sunshine Act Meetings**

**TIME AND DATE:** Monday, March 24, 2025, at 3:30 p.m. EST.

**PLACE:** Washington, DC, at U.S. Postal Service Headquarters, 475 L'Enfant Plaza SW.

**STATUS:** Closed.

**MATTERS TO BE CONSIDERED:** On March 24, 2025, the members of the Board of Governors of the United States Postal Service voted unanimously to hold and to close to public observation a special meeting in Washington, DC. The Board determined that no earlier public notice was practicable. The Board considered the below matters.

1. Administrative Matters.
2. Executive Session.

*General Counsel Certification:* The General Counsel of the United States Postal Service has certified that the meeting may be closed under the Government in the Sunshine Act.

**CONTACT PERSON FOR MORE INFORMATION:** Michael J. Elston, Secretary of the Board of Governors, U.S. Postal Service, 475 L'Enfant Plaza SW, Washington, DC 20260–1000. Telephone: (202) 268–4800.

**Michael J. Elston,**

*Secretary.*

[FR Doc. 2025–05429 Filed 3–25–25; 4:15 pm]

**BILLING CODE 7710–12–P**

**POSTAL SERVICE****Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement****AGENCY:** Postal Service™.**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby

gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 20, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 654 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1246, K2025–1245.

**Sean Robinson,**

*Attorney, Corporate and Postal Business Law.*

[FR Doc. 2025–05181 Filed 3–26–25; 8:45 am]

**BILLING CODE 7710–12–P**

**POSTAL SERVICE****Product Change—Priority Mail Express, Priority Mail, and USPS Ground Advantage® Negotiated Service Agreement****AGENCY:** Postal Service™.**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean C. Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 18, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage® Contract 1346 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1236, K2025–1235.

**Sean C. Robinson,**

*Attorney, Corporate and Postal Business Law.*

[FR Doc. 2025–05188 Filed 3–26–25; 8:45 am]

**BILLING CODE 7710–12–P**

**POSTAL SERVICE****Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement****AGENCY:** Postal Service™.**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service

Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:**  
Sean Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 17, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 647 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1231, K2025–1230.

**Sean Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05174 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

## POSTAL SERVICE

### Product Change—Priority Mail Express, Priority Mail, and USPS Ground Advantage® Negotiated Service Agreement

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:**  
Sean C. Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 20, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage® Contract 1350 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1244, K2025–1243.

**Sean C. Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05192 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

## POSTAL SERVICE

### Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:**  
Sean Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 21, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 659 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1253, K2025–1252.

**Sean Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05186 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

## POSTAL SERVICE

### Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:**  
Sean Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 17, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 649 to Competitive Product List*. Documents

are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1233, K2025–1232.

**Sean Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05176 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

## POSTAL SERVICE

### Product Change—Priority Mail Express, Priority Mail, and USPS Ground Advantage® Negotiated Service Agreement

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:**  
Sean C. Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 21, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage® Contract 1354 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1252, K2025–1251.

**Sean C. Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05195 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

## POSTAL SERVICE

### Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:**  
Sean Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 18, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 651 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1237, K2025–1236.

**Sean Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05178 Filed 3–26–25; 8:45 am]

**BILLING CODE 7710–12–P**

## POSTAL SERVICE

### Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.  
**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 20, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 655 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1247, K2025–1246.

**Sean Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05182 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

## POSTAL SERVICE

### Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service

Agreements in the Mail Classification Schedule's Competitive Products List.  
**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 20, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 656 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1248, K2025–1247.

**Sean Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05183 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

## POSTAL SERVICE

### Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.  
**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 20, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 657 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1249, K2025–1248.

**Sean Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05184 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

## POSTAL SERVICE

### Product Change—Priority Mail Express, Priority Mail, and USPS Ground Advantage® Negotiated Service Agreement

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean C. Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 20, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage® Contract 1351 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1245, K2025–1244.

**Sean C. Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05193 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

## POSTAL SERVICE

### Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement

**AGENCY:** Postal Service™.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.  
**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:** Sean Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 17, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 648 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1232, K2025–1231.

**Sean Robinson,**  
*Attorney, Corporate and Postal Business Law.*  
[FR Doc. 2025–05175 Filed 3–26–25; 8:45 am]  
**BILLING CODE 7710–12–P**

**POSTAL SERVICE****Product Change—Priority Mail and USPS Ground Advantage® Negotiated Service Agreement**

AGENCY: Postal Service™.

ACTION: Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:**

Sean Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 18, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail & USPS Ground Advantage® Contract 653 to Competitive Product List*. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1239, K2025–1238.

Sean Robinson,

*Attorney, Corporate and Postal Business Law.*

[FR Doc. 2025–05180 Filed 3–26–25; 8:45 am]

BILLING CODE 7710–12–P

**POSTAL SERVICE****Product Change—Priority Mail Express, Priority Mail, and USPS Ground Advantage® Negotiated Service Agreement**

AGENCY: Postal Service™.

ACTION: Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

**DATES:** *Date of required notice:* March 27, 2025.

**FOR FURTHER INFORMATION CONTACT:**

Sean C. Robinson, 202–268–8405.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 18, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage® Contract 1347 to Competitive Product List*. Documents are available at

[www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1240, K2025–1239.

Sean C. Robinson,

*Attorney, Corporate and Postal Business Law.*

[FR Doc. 2025–05189 Filed 3–26–25; 8:45 am]

BILLING CODE 7710–12–P

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34–102715; File No. SR–CboeBZX–2025–042]

**Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Increase the Monthly Fee for 10 Gb Physical Ports**

March 21, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> notice is hereby given that on March 13, 2025, Cboe BZX Exchange, Inc. (“Exchange” or “BZX”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

**I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

The Exchange proposes to increase the monthly fee for 10 Gb physical ports. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website ([http://markets.cboe.com/us/equities/regulation/rule\\_filings/BZX/](http://markets.cboe.com/us/equities/regulation/rule_filings/BZX/)), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

**II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of

the most significant aspects of such statements.

**A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change****1. Purpose**

The Exchange proposes to amend its fee schedule relating to physical connectivity fees.<sup>3</sup>

By way of background, a physical port is utilized by a Member or non-Member to connect to the Exchange at the data centers where the Exchange's servers are located. The Exchange currently assesses the following physical connectivity fees for Members and non-Members on a monthly basis: \$2,500 per physical port for a 1 gigabit (“Gb”) circuit and \$7,500 per physical port for a 10 Gb circuit. The Exchange proposes to increase the monthly fee for 10 Gb physical ports from \$7,500 to \$8,500 per port. The Exchange notes the proposed fee change better enables it to continue to maintain and improve its market technology and services and also notes that the proposed fee amount, even as amended, continues to be in line with, or even lower than, amounts assessed by other exchanges for similar connections.<sup>4</sup> The Exchange also notes

<sup>3</sup> The Exchange initially filed the proposed fee changes on July 3, 2023 (SR–CboeBZX–2023–046). On September 1, 2023, the Exchange withdrew that filing and submitted SR–CboeBZX–2023–067. On September 29, 2023, the Securities and Exchange Commission issued a Suspension of and Order Instituting Proceedings to Determine whether to Approve or Disapprove a Proposed Rule Change to Amend its Fees Schedule Related to Physical Port Fees (the “OIP”) in anticipation of a possible U.S. government shutdown. On October 2, 2023, the Exchange filed the proposed fee change (SR–CboeBZX–2023–080). On October 13, 2023, the Exchange withdrew that filing and on business date October 16, 2023 submitted SR–CboeBZX–2023–084. On December 12, 2023, the Exchange withdrew that filing and submitted SR–CboeBZX–2023–103. On February 9, 2024, the Exchange withdrew that filing and submitted SR–CboeBZX–2024–016. On April 9, 2024, the Exchange withdrew that filing and submitted SR–CboeBZX–2024–027. On June 7, 2024, the Exchange withdrew that filing and submitted SR–CboeBZX–2024–051. On August 29, 2024, the Exchange withdrew that filing and submitted SR–CboeBZX–2024–079. On October 25, 2024, the Exchange withdrew that filing and submitted SR–CboeBZX–2024–106. On October 28, 2024, the Exchange withdrew that filing and submitted SR–CboeBZX–2024–108. On December 18, 2024, the Exchange withdrew that filing and submitted SR–CboeBZX–2024–127. On February 14, 2025, the Exchange withdrew that filing and submitted SR–CboeBZX–2025–029. On March 13, 2025, the Exchange withdrew that filing and submitted this filing.

<sup>4</sup> See e.g., The Nasdaq Stock Market LLC (“Nasdaq”), General 8, Connectivity to the Exchange. Nasdaq and its affiliated exchanges charge a monthly fee of \$15,000 for each 10Gb Ultra fiber connection to the respective exchange, which is analogous to the Exchange's 10Gb physical port. See also New York Stock Exchange LLC, NYSE

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.

that a single 10 Gb physical port can be used to access the Systems of the following affiliate exchanges: the Cboe BYX Exchange, Inc., Cboe EDGX Exchange, Inc. (options and equities platforms), Cboe EDGA Exchange, Inc., and Cboe C2 Exchange, Inc., (“Affiliate Exchanges”).<sup>5</sup> Notably, only one monthly fee currently (and will continue) to apply per 10 Gb physical port regardless of how many affiliated exchanges are accessed through that one port.<sup>6</sup>

## 2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>7</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>8</sup> requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>9</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(4)<sup>10</sup> of the Act, which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its

facilities. This belief is based on various factors as described below.

First, the Exchange believes its proposal is reasonable as it reflects a moderate increase in physical connectivity fees for 10 Gb physical ports and its offering, even as amended, continues to be more affordable as compared to analogous physical connectivity offerings at competitor exchanges.<sup>11</sup>

The Exchange also believes the current fee does not properly reflect the quality of the service and product, as fees for 10 Gb physical ports have been static in nominal terms since 2018, and therefore falling in real terms due to inflation. As a general matter, the Producer Price Index (“PPI”) is a family of indexes that measures the average change over time in selling prices received by domestic producers of goods and services. PPI measures price change from the perspective of the seller. This contrasts with other metrics, such as the Consumer Price Index (CPI), that measure price change from the purchaser’s perspective.<sup>12</sup> About 10,000 PPIs for individual products and groups of products are tracked and released each month.<sup>13</sup> PPIs are available for the output of nearly all industries in the goods-producing sectors of the U.S. economy—mining, manufacturing, agriculture, fishing, and forestry—as well as natural gas, electricity, and construction, among others. The PPI program covers approximately 69 percent of the service sector’s output, as measured by revenue reported in the 2017 Economic Census.

For purposes of this proposal, the relevant industry-specific PPI is the Data Processing, hosting and related services (“Data PPI”) and more particularly the more granular service line Data Processing, Hosting and Related Services: Hosting, Active Server Pages (ASP), and Other Information Technology (IT) Infrastructure Provisioning Services.<sup>14</sup>

The Data PPI was introduced in January 2002 by the Bureau of Labor Statistics (“BLS”) as part of an ongoing effort to expand Producer Price Index coverage of the services sector of the U.S. economy and is identified as NAICS—518210 in the North American Industry Classification System (“NAICS”).<sup>15</sup> According to the BLS “[t]he primary output of NAICS 518210 is the provision of electronic data processing services. In the broadest sense, computer services companies help their customers efficiently use technology. The processing services market consists of vendors who use their own computer systems—often utilizing proprietary software—to process customers’ transactions and data. Price movements for the NAICS 518210 index are based on changes in the revenue received by companies that provide data processing services and price movements for the service line NAICS 518210 index are based on changes in the revenue received by companies that provide, among other things, IT infrastructure provisioning services. Each month, companies provide net transaction prices for a specified service. The transaction is an actual contract selected by probability, where the price-determining characteristics are held constant while the service is repriced. The prices used in index calculation are the actual prices billed for the selected service contract.”<sup>16</sup>

The service (product) lines for which price indexes are available under the Data PPI are: (1) business process management services (2) data management and storage information transformation and other services and (3) hosting ASP and other IT infrastructure provisioning services. The most apt of these industry and product specific categorizations for purposes of this present proposal to modify fees for the 10 Gb physical port fee measures inflation for the provision of data processing, hosting and related services as well as other information technology infrastructure provisioning services

computing resources are available when needed and that they are set up and connected to work correctly.

<sup>15</sup> See <https://www.bls.gov/ppi/overview.htm>. Among the industry-specific PPIs is for North American Industry Classification System (“NAICS”) Code 518210: “Data Processing and Related Services.” NAICS index codes categorize products and services that are common to particular industries. According to BLS, these codes “provide comparability with a wide assortment of industry-based data for other economic programs, including productivity, production, employment, wages, and earnings.”

<sup>16</sup> See <https://www.bls.gov/ppi/factsheets/producer-price-index-for-the-data-processing-and-related-services-industry-naics-518210.htm>.

American LLC, NYSE Arca, Inc., NYSE Chicago Inc., NYSE National, Inc. Connectivity Fee Schedule, which provides that 10 Gb LX LCN Circuits (which are analogous to the Exchange’s 10 Gb physical port) are assessed \$22,000 per month, per port.

<sup>5</sup> The Affiliate Exchanges are also submitting contemporaneous identical rule filings.

<sup>6</sup> The Exchange notes that conversely, other exchange groups charge separate port fees for access to separate, but affiliated, exchanges. See e.g., Securities and Exchange Release No. 99822 (March 21, 2024), 89 FR 21337 (March 27, 2024) (SR-MIAX-2024-016).

<sup>7</sup> 15 U.S.C. 78f(b).

<sup>8</sup> 15 U.S.C. 78f(b)(5).

<sup>9</sup> *Id.*

<sup>10</sup> 15 U.S.C. 78f(b)(4).

<sup>11</sup> See e.g., The Nasdaq Stock Market LLC (“Nasdaq”), General 8, Connectivity to the Exchange. Nasdaq and its affiliated exchanges charge a monthly fee of \$15,000 for each 10 Gbps Ultra fiber connection to the respective exchange, which is analogous to the Exchange’s 10 Gbps physical port. See also New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago Inc., NYSE National, Inc. Connectivity Fee Schedule, which provides that 10 Gbps LX LCN Circuits (which are analogous to the Exchange’s 10 Gbps physical port) are assessed \$22,000 per month, per port.

<sup>12</sup> See <https://www.bls.gov/ppi/overview.htm>.

<sup>13</sup> *Id.*

<sup>14</sup> Provisioning is the process of preparing, assigning, and activating IT infrastructure components, such as servers, storage, and network connectivity, according to user requirements. It is a critical part of IT operations, as it ensures that

which BLS identifies as identified as NAICS—5182105.<sup>17</sup> The Exchange believes that this measure of inflation is particularly appropriate because the Exchange's connectivity services involve hosting and providing connections to its customers' telecommunications and information technology equipment, as well as preparing, assigning, and activating IT infrastructure components, such as servers, storage, and network connectivity. The Exchange also uses its "proprietary software," *i.e.*, its own proprietary matching engine software, to receive orders on the Exchange's proprietary trading platform as well as to collect, organize, store and report customers' transactions. In other words, the Exchange is in the business of data processing, hosting, ASP, and providing other IT infrastructure provisioning services. Specifically, within this category, the Exchange points to the financial business process management services category under the umbrella of data processing.<sup>18</sup> The financial business process management services is described as "providing a bundled service package that combines information-technology-intensive services with labor (manual or professional depending on the solution), machinery, and facilities to support, host and manage a financial business process for a client, such as financial transaction processing, credit card processing, payment services, and lending services."<sup>19</sup> The Exchange's connectivity service provides connections to its customers' telecommunications and information technology equipment, as well as preparing, assigning, and activating IT infrastructure components to facilitate the transmission of orders and receipt of financial transactions for its customers' while connected to the Exchange.

Further, the Exchange believes that this specific index is best suited to guide this price increase as it reflects the change in this specific instance over the last seven years instead of looking at the underlying components of the service. PPI has published broad guidance regarding price adjustments for contracts,<sup>20</sup> and within this it noted that contracting parties should choose an index or group of indexes that represent the cost for providing a particular product or service, rather

than an index for the product itself.<sup>21</sup> While this helps a contracting seller avoid a circumstance where it is unable to raise its price for the product itself if the underlying components have increased and the PPI for the product itself has not yet increased—this is not the case here. The Exchange instead is using historical data over a seven-year period as a reference point for its proposed increase moving forward—underlying components that have increased over the course of seven years have since (by and large) been reflected in the product itself.

The Exchange further believes the Data PPI is an appropriate measure for purposes of the proposed rule change on the basis that it is a stable metric with limited volatility, unlike other consumer-side inflation metrics. In fact, the Data PPI has not experienced a greater than 2.16% increase for any one calendar year period since Data PPI was introduced into the PPI in January 2002. For example, the average calendar year change from January 2002 to December 2023 was .62%, with a cumulative increase of 15.67% over this 21-year period. The Exchange believes the Data PPI is considerably less volatile than other inflation metrics such as CPI, which has had individual calendar-year increases of more than 6.5%, and a cumulative increase of over 73% over the same period.<sup>22</sup>

As noted above, the current 10 Gb physical port fee remained unchanged for almost seven years, particularly since June 2018.<sup>23</sup> Since its last increase almost 7 years ago however, there has been notable inflation, including under the industry- and product-specific PPI, which as described above is a tailored measure of inflation. Particularly, the Hosting, ASP and other IT Infrastructure Provisioning Services inflation measure had a starting value of 102.2 in June 2018 (the month the Exchange started assessing the current fee) and an ending value of 118.502 in January 2025, representing a 16% increase.<sup>24</sup> This indicates that companies who are also in the hosting ASP and other IT infrastructure provisioning services

have generally increased prices for a specified service covered under NAICS 5182105 by an average of 16% during this period.

The Exchange also believes that it is reasonable to increase its fees to compensate for inflation because, over time, inflation has degraded the value of each dollar that the Exchange collects in fees, such that the real revenue collected today is considerably less than that same revenue collected in 2018. The impact of this inflationary effect is also independent of any change in the Exchange's costs in providing its goods and services. The Exchange therefore believes that it is reasonable for it to offset, in part, this erosion in the value of the revenues it collects. Additionally, the Exchange historically does not increase fees every year notwithstanding inflation.<sup>25</sup> Other exchanges have also filed for increases in certain fees, based in part on comparisons to inflation.<sup>26</sup> Accordingly, based on the above-described percentage change based on an industry- and product-specific inflationary measure, and in conjunction with the rationale further described above and below, the Exchange believes the proposed fee increase is reasonable.

Next, the Exchange believes significant investments into, and enhanced performance of, the Exchange, in the years following the last 10 Gb physical port fee increase support the reasonableness of the proposed fee increase. These investments enhanced the quality of its services, as measured by, among other things, increased throughput and faster processing speeds. Customers have therefore greatly benefitted from these investments, while the Exchange's ability to recoup its investments has been hampered.

For example, the Exchange and its affiliated exchanges recently launched a multi-year initiative to improve Cboe Exchange Platform performance and capacity requirements to increase competitiveness, support growth and advance a consistent world class platform. The goal of the project, among

<sup>17</sup> See <https://data.bls.gov/timeseries/PCU5182105182105>.

<sup>18</sup> See <https://voorburggroup.org/Documents/2018%20Rome/Papers/1014.pdf>.

<sup>19</sup> *Id.*

<sup>20</sup> See <https://www.bls.gov/ppi/publications/price-adjustment-guide-for-contracting-parties.htm#FOOT5>.

<sup>21</sup> "For example, if an apparel manufacturer were contracting for long-term purchases with a producer of finished fabrics, it would be more advisable to tie the price adjustment clause to a PPI for synthetic fibers, processed yarns and threads, or greige fabrics (raw fabric), rather than to a PPI for a type of finished fabric." *Id.*

<sup>22</sup> See <https://www.usinflationcalculator.com/inflation/consumer-price-index-and-annual-percent-changes-from-1913-to-2008/>.

<sup>23</sup> See Securities and Exchange Release No. 83442 (June 14, 2018), 83 FR 28675 (June 20, 2018) (SR-CboeBZX-2018-037).

<sup>24</sup> See <https://data.bls.gov/timeseries/PCU5182105182105>.

<sup>25</sup> As the Exchange historically does not increase fees every year notwithstanding inflation, the Exchange believes that the more specific index is appropriate to look at as it is reflective of the cumulative increase over the course of almost seven years. While the PPI has published guidance that a broader index may be more helpful to reference in a contract to avoid large swings on a shorter duration (and to which such a swing over a brief duration may trigger additional obligations), the Exchange, in contrast, is instead looking forward to adjust its price to reflect changes in the industry over the past seven years. See *supra* note 20.

<sup>26</sup> See, e.g., Securities Exchange Act Release Nos. 34-100994 (September 10, 2024), 89 FR 75612 (September 16, 2024) (SR-NYSEARCA-2024-79).

other things, is to provide faster and more consistent order handling and matching performance for options, while ensuring quicker processing time and supporting increasing volumes and capacity needs. For example, the Exchange recently performed switch hardware upgrades. Particularly, the Exchange replaced existing customer access switches with newer models, which the Exchange believes resulted in increased determinism. The recent switch upgrades also increased the Exchange's capacity to accommodate more physical ports by nearly 50%. Network bandwidth was also increased nearly two-fold as a result of the upgrades, which among other things, can lead to reduce message queuing. The Exchange also believes these newer models result in less natural variance in the processing of messages. The Exchange notes that it incurred costs associated with purchasing and upgrading to these newer models, of which the Exchange has not otherwise passed through or offset.

As of April 1, 2024, market participants also having the option of connecting to a new data center (*i.e.*, Secaucus NY6 Data Center ("NY6")), in addition to the current data centers at NY4 and NY5. The Exchange made NY6 available in response to customer requests in connection with their need for additional space and capacity. In order to make this space available, the Exchange expended significant resources to prepare this space, and will also incur ongoing costs with respect to maintaining this offering, including costs related to power, space, fiber, cabinets, panels, labor and maintenance of racks. The Exchange also incurred a large cost with respect to ensuring NY6 would be latency equalized, as it is for NY4 and NY5.

The Exchange also has made various other improvements since the current physical port rates were adopted in 2018. For example, the Exchange has updated its customer portal to provide more transparency with respect to firms' respective connectivity subscriptions, enabling them to better monitor, evaluate and adjust their connections based on their evolving business needs. The Exchange also performs proactive audits on a weekly basis to ensure that all customer cross connects continue to fall within allowable tolerances for Latency Equalized connections. Accordingly, the Exchange expended, and will continue to expend, resources to innovate and modernize technology so that it may benefit its Members and continue to compete among other equities markets. The ability to continue to innovate with technology and offer

new products to market participants allows the Exchange to remain competitive in the equities space which currently has 16 equities markets and potential new entrants. If the Exchange were not able to assess incrementally higher fees for its connectivity, it would effectively impact how the Exchange manages its technology and hamper the Exchange's ability to continue to invest in and fund access services in a manner that allows it to meet existing and anticipated access demands of market participants. Disapproval of fee changes such as the proposal herein, could also have the adverse effect of discouraging an exchange from improving its operations and implementing innovative technology to the benefit of market participants if it believes the Commission would later prevent that exchange from recouping costs and monetizing its operational enhancements, thus adversely impacting competition as well as the interests of market participants and investors.

Finally, the proposed fee is also the same as is concurrently being proposed for its Affiliate Exchanges. Further, Members are able to utilize a single port to connect to all of its Affiliate Exchanges and will only be charged one single fee (*i.e.*, a market participant will only be assessed the proposed \$8,500 even if it uses that physical port to connect to the Exchange and another (or even all 6) of its Affiliate Exchanges. Particularly, the Exchange believes the proposed monthly per port fee is reasonable, equitable and not unfairly discriminatory since as the Exchange has determined to not charge multiple fees for the same port. Indeed, the Exchange notes that several ports are in fact purchased and utilized across one or more of the Exchange's affiliated Exchanges (and charged only once).

The Exchange also believes that the proposed fee change is not unfairly discriminatory because it would be assessed uniformly across all market participants that purchase the physical ports. The Exchange believes increasing the fee for 10 Gb physical ports and charging a higher fee as compared to the 1 Gb physical port is equitable as the 1 Gb physical port is 1/10th the size of the 10 Gb physical port and therefore does not offer access to many of the products and services offered by the Exchange (*e.g.*, ability to receive certain market data products). Thus, the value of the 1 Gb alternative is lower than the value of the 10 Gb alternative, when measured based on the type of Exchange access it offers. Moreover, market participants that purchase 10 Gb physical ports utilize the most bandwidth and

therefore consume the most resources from the network. The Exchange also anticipates that firms that utilize 10 Gb ports will benefit the most from the Exchange's investment in offering NY6 as the Exchange anticipates there will be much higher quantities of 10 Gb physical ports connecting from NY6 as compared to 1 Gb ports. Indeed, the Exchange notes that 10 Gb physical ports account for approximately 90% of physical ports across the NY4, NY5, and NY6 data centers, and to date, 80% of new port connections in NY6 are 10 Gb ports. As such, the Exchange believes the proposed fee change for 10 Gb physical ports is reasonably and appropriately allocated.

#### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed fee change will not impact intramarket competition because it will apply to all similarly situated Members equally (*i.e.*, all market participants that choose to purchase the 10 Gb physical port). Additionally, the Exchange does not believe its proposed pricing will impose a barrier to entry to smaller participants and notes that its proposed connectivity pricing is associated with relative usage of the various market participants. For example, market participants with modest capacity needs can continue to buy the less expensive 1 Gb physical port (which cost is not changing) or may choose to obtain access via a third-party re-seller. While pricing may be increased for the larger capacity physical ports, such options provide far more capacity and are purchased by those that consume more resources from the network.

Accordingly, the proposed connectivity fees do not favor certain categories of market participants in a manner that would impose a burden on competition; rather, the allocation reflects the network resources consumed by the various size of market participants—lowest bandwidth consuming members pay the least, and highest bandwidth consuming members pay the most.

The proposed fee change also does not impose a burden on competition or on other Self-Regulatory Organizations that is not necessary or appropriate. As described above, the Exchange evaluated its proposed fee change using objective and stable metric with limited volatility. Utilizing Data Processing PPI over a specified period of time is a reasonable means of recouping a portion of the Exchange's investment in

maintaining and enhancing the connectivity service identified above. The Exchange believes utilizing Data Processing PPI, a tailored measure of inflation, to increase certain connectivity fees to recoup the Exchange's investment in maintaining and enhancing its services and products would not impose a burden on competition.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange neither solicited nor received comments on the proposed rule change.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>27</sup> and paragraph (f) of Rule 19b-4<sup>28</sup> thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

*Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-CboeBZX-2025-042 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.
- All submissions should refer to file number SR-CboeBZX-2025-042. This file number should be included on the subject line if email is used. To help the

Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-CboeBZX-2025-042 and should be submitted on or before April 17, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>29</sup>

**J. Matthew DeLesDernier,**

*Deputy Secretary.*

[FR Doc. 2025-05210 Filed 3-26-25; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

**[Release No. 34-102706; File No. SR-CboeEDGX-2025-022]**

**Self-Regulatory Organizations; Cboe EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Increase the Monthly Fee for 10 Gb Physical Ports**

March 21, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on March 13, 2025, Cboe EDGX Exchange, Inc. ("Exchange" or "EDGX") filed with the Securities and Exchange Commission ("Commission") the proposed rule

change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

**I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

The Exchange proposes to increase the monthly fee for 10 Gb physical ports. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website ([https://www.cboe.com/us/equities/regulation/rule\\_filings/edgx/](https://www.cboe.com/us/equities/regulation/rule_filings/edgx/)), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

**II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

*A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

**1. Purpose**

The Exchange proposes to amend its fee schedule relating to physical connectivity fees.<sup>3</sup>

<sup>3</sup> The Exchange initially filed the proposed fee changes on July 3, 2023 (SR-CboeEDGX-2023-044). On September 1, 2023, the Exchange withdrew that filing and submitted SR-CboeEDGX-2023-057. On September 29, 2023, the Securities and Exchange Commission issued a Suspension of and Order Instituting Proceedings to Determine whether to Approve or Disapprove a Proposed Rule Change to Amend its Fees Schedule Related to Physical Port Fees (the "OIP") in anticipation of a possible U.S. government shutdown. On September 29, 2023, the Exchange filed the proposed fee change (SR-CboeEDGX-2023-62). On October 13, 2023, the Exchange withdrew that filing and on business date October 16, 2023 submitted SR-CboeEDGX-2023-065. On December 12, the Exchange withdrew that filing and submitted SR-CboeEDGX-2023-079. On December 20, the Exchange withdrew that filing and submitted SR-CboeEDGX-2023-081. On February 12, 2024, the Exchange withdrew that filing and submitted SR-CboeEDGX-2024-013. On April 9, 2024, the Exchange withdrew that filing and submitted SR-CboeEDGX-2024-020. On June 7, 2024, the Exchange withdrew that filing and submitted SR-CboeEDGX-2024-035. On August 29,

<sup>27</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>28</sup> 17 CFR 240.19b-4(f).

<sup>29</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

By way of background, a physical port is utilized by a Member or non-Member to connect to the Exchange at the data centers where the Exchange's servers are located. The Exchange currently assesses the following physical connectivity fees for Members and non-Members on a monthly basis: \$2,500 per physical port for a 1 gigabit ("Gb") circuit and \$7,500 per physical port for a 10 Gb circuit. The Exchange proposes to increase the monthly fee for 10 Gb physical ports from \$7,500 to \$8,500 per port. The Exchange notes the proposed fee change better enables it to continue to maintain and improve its market technology and services and also notes that the proposed fee amount, even as amended, continues to be in line with, or even lower than, amounts assessed by other exchanges for similar connections.<sup>4</sup> The Exchange also notes that a single 10 Gb physical port can be used to access the Systems of the following affiliate exchanges: the Cboe BYX Exchange, Inc., Cboe BZX Exchange, Inc. (options and equities platforms), Cboe EDGA Exchange, Inc., and Cboe C2 Exchange, Inc., ("Affiliate Exchanges").<sup>5</sup> Notably, only one monthly fee currently (and will continue) to apply per 10 Gb physical port regardless of how many affiliated exchanges are accessed through that one port.<sup>6</sup>

## 2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of

Section 6(b) of the Act.<sup>7</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>8</sup> requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>9</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(4)<sup>10</sup> of the Act, which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities. This belief is based on various factors as described below.

First, the Exchange believes its proposal is reasonable as it reflects a moderate increase in physical connectivity fees for 10 Gb physical ports and its offering, even as amended, continues to be more affordable as compared to analogous physical connectivity offerings at competitor exchanges.<sup>11</sup>

The Exchange also believes the current fee does not properly reflect the quality of the service and product, as fees for 10 Gb physical ports have been static in nominal terms since 2018, and therefore falling in real terms due to inflation. As a general matter, the Producer Price Index ("PPI") is a family of indexes that measures the average change over time in selling prices received by domestic producers of goods and services. PPI measures price change from the perspective of the

seller. This contrasts with other metrics, such as the Consumer Price Index (CPI), that measure price change from the purchaser's perspective.<sup>12</sup> About 10,000 PPIs for individual products and groups of products are tracked and released each month.<sup>13</sup> PPIs are available for the output of nearly all industries in the goods-producing sectors of the U.S. economy—mining, manufacturing, agriculture, fishing, and forestry—as well as natural gas, electricity, and construction, among others. The PPI program covers approximately 69 percent of the service sector's output, as measured by revenue reported in the 2017 Economic Census.

For purposes of this proposal, the relevant industry-specific PPI is the Data Processing, hosting and related services ("Data PPI") and more particularly the more granular service line Data Processing, Hosting and Related Services: Hosting, Active Server Pages (ASP), and Other Information Technology (IT) Infrastructure Provisioning Services.<sup>14</sup>

The Data PPI was introduced in January 2002 by the Bureau of Labor Statistics ("BLS") as part of an ongoing effort to expand Producer Price Index coverage of the services sector of the U.S. economy and is identified as NAICS—518210 in the North American Industry Classification System ("NAICS").<sup>15</sup> According to the BLS "[t]he primary output of NAICS 518210 is the provision of electronic data processing services. In the broadest sense, computer services companies help their customers efficiently use technology. The processing services market consists of vendors who use their own computer systems—often utilizing proprietary software—to process customers' transactions and data. Price movements for the NAICS 518210 index are based on changes in the revenue received by companies that provide data processing services and

2024, the Exchange withdrew that filing and submitted SR-CboeEDGX-2024-056. On October 25, 2024, the Exchange withdrew that filing and submitted SR-CboeEDGX-2024-071. On December 18, 2024, the Exchange withdrew that filing and submitted SR-CboeEDGX-2024-085. On February 14, 2025, the Exchange withdrew that filing and submitted SR-CboeEDGX-2025-011. On March 13, 2025, the Exchange withdrew that filing and submitted this filing.

<sup>4</sup> See e.g., The Nasdaq Stock Market LLC ("Nasdaq"), General 8, Connectivity to the Exchange. Nasdaq and its affiliated exchanges charge a monthly fee of \$15,000 for each 10Gb Ultra fiber connection to the respective exchange, which is analogous to the Exchange's 10Gb physical port. See also New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago Inc., NYSE National, Inc. Connectivity Fee Schedule, which provides that 10 Gb LX LCN Circuits (which are analogous to the Exchange's 10 Gb physical port) are assessed \$22,000 per month, per port.

<sup>5</sup> The Affiliate Exchanges are also submitting contemporaneous identical rule filings.

<sup>6</sup> The Exchange notes that conversely, other exchange groups charge separate port fees for access to separate, but affiliated, exchanges. See e.g., Securities and Exchange Release No. 99822 (March 21, 2024), 89 FR 21337 (March 27, 2024) (SR-MIAx-2024-016).

<sup>7</sup> 15 U.S.C. 78f(b).

<sup>8</sup> 15 U.S.C. 78f(b)(5).

<sup>9</sup> *Id.*

<sup>10</sup> 15 U.S.C. 78f(b)(4).

<sup>11</sup> See e.g., The Nasdaq Stock Market LLC ("Nasdaq"), General 8, Connectivity to the Exchange. Nasdaq and its affiliated exchanges charge a monthly fee of \$15,000 for each 10Gbps Ultra fiber connection to the respective exchange, which is analogous to the Exchange's 10Gbps physical port. See also New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago Inc., NYSE National, Inc. Connectivity Fee Schedule, which provides that 10 Gbps LX LCN Circuits (which are analogous to the Exchange's 10 Gbps physical port) are assessed \$22,000 per month, per port.

<sup>12</sup> See <https://www.bls.gov/ppi/overview.htm>.

<sup>13</sup> *Id.*

<sup>14</sup> Provisioning is the process of preparing, assigning, and activating IT infrastructure components, such as servers, storage, and network connectivity, according to user requirements. It is a critical part of IT operations, as it ensures that computing resources are available when needed and that they are set up and connected to work correctly.

<sup>15</sup> See <https://www.bls.gov/ppi/overview.htm>. Among the industry-specific PPIs is for North American Industry Classification System ("NAICS") Code 518210: "Data Processing and Related Services." NAICS index codes categorize products and services that are common to particular industries. According to BLS, these codes "provide comparability with a wide assortment of industry-based data for other economic programs, including productivity, production, employment, wages, and earnings."

price movements for the service line NAICS 518210 index are based on changes in the revenue received by companies that provide, among other things, IT infrastructure provisioning services. Each month, companies provide net transaction prices for a specified service. The transaction is an actual contract selected by probability, where the price-determining characteristics are held constant while the service is repriced. The prices used in index calculation are the actual prices billed for the selected service contract.”<sup>16</sup>

The service (product) lines for which price indexes are available under the Data PPI are: (1) Business process management services (2) data management and storage information transformation and other services and (3) hosting ASP and other IT infrastructure provisioning services. The most apt of these industry and product specific categorizations for purposes of this present proposal to modify fees for the 10 Gb physical port fee measures inflation for the provision of data processing, hosting and related services as well as other information technology infrastructure provisioning services which BLS identifies as identified as NAICS—5182105.<sup>17</sup> The Exchange believes that this measure of inflation is particularly appropriate because the Exchange’s connectivity services involve hosting and providing connections to its customers’ telecommunications and information technology equipment, as well as preparing, assigning, and activating IT infrastructure components, such as servers, storage, and network connectivity. The Exchange also uses its “proprietary software,” *i.e.*, its own proprietary matching engine software, to receive orders on the Exchange’s proprietary trading platform as well as to collect, organize, store and report customers’ transactions. In other words, the Exchange is in the business of data processing, hosting, ASP, and providing other IT infrastructure provisioning services. Specifically, within this category, the Exchange points to the financial business process management services category under the umbrella of data processing.<sup>18</sup> The financial business process management services is described as “providing a bundled service package that combines information-technology-intensive

services with labor (manual or professional depending on the solution), machinery, and facilities to support, host and manage a financial business process for a client, such as financial transaction processing, credit card processing, payment services, and lending services.”<sup>19</sup> The Exchange’s connectivity service provides connections to its customers’ telecommunications and information technology equipment, as well as preparing, assigning, and activating IT infrastructure components to facilitate the transmission of orders and receipt of financial transactions for its customers’ while connected to the Exchange.

Further, the Exchange believes that this specific index is best suited to guide this price increase as it reflects the change in this specific instance over the last seven years instead of looking at the underlying components of the service. PPI has published broad guidance regarding price adjustments for contracts,<sup>20</sup> and within this it noted that contracting parties should choose an index or group of indexes that represent the cost for providing a particular product or service, rather than an index for the product itself.<sup>21</sup> While this helps a contracting seller avoid a circumstance where it is unable to raise its price for the product itself if the underlying components have increased and the PPI for the product itself has not yet increased—this is not the case here. The Exchange instead is using historical data over a seven-year period as a reference point for its proposed increase moving forward—underlying components that have increased over the course of seven years have since (by and large) been reflected in the product itself.

The Exchange further believes the Data PPI is an appropriate measure for purposes of the proposed rule change on the basis that it is a stable metric with limited volatility, unlike other consumer-side inflation metrics. In fact, the Data PPI has not experienced a greater than 2.16% increase for any one calendar year period since Data PPI was introduced into the PPI in January 2002. For example, the average calendar year change from January 2002 to December 2023 was .62%, with a cumulative increase of 15.67% over this 21-year

period. The Exchange believes the Data PPI is considerably less volatile than other inflation metrics such as CPI, which has had individual calendar-year increases of more than 6.5%, and a cumulative increase of over 73% over the same period.<sup>22</sup>

As noted above, the current 10 Gb physical port fee remained unchanged for almost seven years, particularly since June 2018.<sup>23</sup> Since its last increase almost 7 years ago however, there has been notable inflation, including under the industry- and product-specific PPI, which as described above is a tailored measure of inflation. Particularly, the Hosting, ASP and other IT Infrastructure Provisioning Services inflation measure had a starting value of 102.2 in June 2018 (the month the Exchange started assessing the current fee) and an ending value of 118.502 in January 2025, representing a 16% increase.<sup>24</sup> This indicates that companies who are also in the hosting ASP and other IT infrastructure provisioning services have generally increased prices for a specified service covered under NAICS 5182105 by an average of 16% during this period.

The Exchange also believes that it is reasonable to increase its fees to compensate for inflation because, over time, inflation has degraded the value of each dollar that the Exchange collects in fees, such that the real revenue collected today is considerably less than that same revenue collected in 2018. The impact of this inflationary effect is also independent of any change in the Exchange’s costs in providing its goods and services. The Exchange therefore believes that it is reasonable for it to offset, in part, this erosion in the value of the revenues it collects. Additionally, the Exchange historically does not increase fees every year notwithstanding inflation.<sup>25</sup> Other exchanges have also filed for increases in certain fees, based

<sup>22</sup> See <https://www.usinflationcalculator.com/inflation/consumer-price-index-and-annual-percent-changes-from-1913-to-2008/>.

<sup>23</sup> See Securities and Exchange Release No. 83450 (June 15, 2018), 83 FR 28884 (June 21, 2018) (SR-CboeEDGX–2018–016).

<sup>24</sup> See <https://data.bls.gov/timeseries/PCU5182105182105>.

<sup>25</sup> As the Exchange historically does not increase fees every year notwithstanding inflation, the Exchange believes that the more specific index is appropriate to look at as it is reflective of the cumulative increase over the course of almost seven years. While the PPI has published guidance that a broader index may be more helpful to reference in a contract to avoid large swings on a shorter duration (and to which such a swing over a brief duration may trigger additional obligations), the Exchange, in contrast, is instead looking forward to adjust its price to reflect changes in the industry over the past seven years. See *supra* note 20.

<sup>19</sup> *Id.*

<sup>20</sup> See <https://www.bls.gov/ppi/publications/price-adjustment-guide-for-contracting-parties.htm#FOOT5>.

<sup>21</sup> “For example, if an apparel manufacturer were contracting for long-term purchases with a producer of finished fabrics, it would be more advisable to tie the price adjustment clause to a PPI for synthetic fibers, processed yarns and threads, or greige fabrics (raw fabric), rather than to a PPI for a type of finished fabric.” *Id.*

<sup>16</sup> See <https://www.bls.gov/ppi/factsheets/producer-price-index-for-the-data-processing-and-related-services-industry-naics-518210.htm>.

<sup>17</sup> See <https://data.bls.gov/timeseries/PCU5182105182105>.

<sup>18</sup> See <https://voorburggroup.org/Documents/2018%20Rome/Papers/1014.pdf>.

in part on comparisons to inflation.<sup>26</sup> Accordingly, based on the above-described percentage change based on an industry- and product-specific inflationary measure, and in conjunction with the rationale further described above and below, the Exchange believes the proposed fee increase is reasonable.

Next, the Exchange believes significant investments into, and enhanced performance of, the Exchange, in the years following the last 10 Gb physical port fee increase support the reasonableness of the proposed fee increase. These investments enhanced the quality of its services, as measured by, among other things, increased throughput and faster processing speeds. Customers have therefore greatly benefitted from these investments, while the Exchange's ability to recoup its investments has been hampered.

For example, the Exchange and its affiliated exchanges recently launched a multi-year initiative to improve Cboe Exchange Platform performance and capacity requirements to increase competitiveness, support growth and advance a consistent world class platform. The goal of the project, among other things, is to provide faster and more consistent order handling and matching performance for options, while ensuring quicker processing time and supporting increasing volumes and capacity needs. For example, the Exchange recently performed switch hardware upgrades. Particularly, the Exchange replaced existing customer access switches with newer models, which the Exchange believes resulted in increased determinism. The recent switch upgrades also increased the Exchange's capacity to accommodate more physical ports by nearly 50%. Network bandwidth was also increased nearly two-fold as a result of the upgrades, which among other things, can lead to reduce message queuing. The Exchange also believes these newer models result in less natural variance in the processing of messages. The Exchange notes that it incurred costs associated with purchasing and upgrading to these newer models, of which the Exchange has not otherwise passed through or offset.

As of April 1, 2024, market participants also having the option of connecting to a new data center (*i.e.*, Secaucus NY6 Data Center ("NY6")), in addition to the current data centers at NY4 and NY5. The Exchange made NY6

available in response to customer requests in connection with their need for additional space and capacity. In order to make this space available, the Exchange expended significant resources to prepare this space, and will also incur ongoing costs with respect to maintaining this offering, including costs related to power, space, fiber, cabinets, panels, labor and maintenance of racks. The Exchange also incurred a large cost with respect to ensuring NY6 would be latency equalized, as it is for NY4 and NY5.

The Exchange also has made various other improvements since the current physical port rates were adopted in 2018. For example, the Exchange has updated its customer portal to provide more transparency with respect to firms' respective connectivity subscriptions, enabling them to better monitor, evaluate and adjust their connections based on their evolving business needs. The Exchange also performs proactive audits on a weekly basis to ensure that all customer cross connects continue to fall within allowable tolerances for Latency Equalized connections. Accordingly, the Exchange expended, and will continue to expend, resources to innovate and modernize technology so that it may benefit its Members and continue to compete among other equities markets. The ability to continue to innovate with technology and offer new products to market participants allows the Exchange to remain competitive in the equities space which currently has 16 equities markets and potential new entrants. If the Exchange were not able to assess incrementally higher fees for its connectivity, it would effectively impact how the Exchange manages its technology and hamper the Exchange's ability to continue to invest in and fund access services in a manner that allows it to meet existing and anticipated access demands of market participants. Disapproval of fee changes such as the proposal herein, could also have the adverse effect of discouraging an exchange from improving its operations and implementing innovative technology to the benefit of market participants if it believes the Commission would later prevent that exchange from recouping costs and monetizing its operational enhancements, thus adversely impacting competition as well as the interests of market participants and investors.

Finally, the proposed fee is also the same as is concurrently being proposed for its Affiliate Exchanges. Further, Members are able to utilize a single port to connect to all of its Affiliate Exchanges and will only be charged one

single fee (*i.e.*, a market participant will only be assessed the proposed \$8,500 even if it uses that physical port to connect to the Exchange and another (or even all 6) of its Affiliate Exchanges. Particularly, the Exchange believes the proposed monthly per port fee is reasonable, equitable and not unfairly discriminatory since as the Exchange has determined to not charge multiple fees for the same port. Indeed, the Exchange notes that several ports are in fact purchased and utilized across one or more of the Exchange's affiliated Exchanges (and charged only once).

The Exchange also believes that the proposed fee change is not unfairly discriminatory because it would be assessed uniformly across all market participants that purchase the physical ports. The Exchange believes increasing the fee for 10 Gb physical ports and charging a higher fee as compared to the 1 Gb physical port is equitable as the 1 Gb physical port is 1/10th the size of the 10 Gb physical port and therefore does not offer access to many of the products and services offered by the Exchange (*e.g.*, ability to receive certain market data products). Thus, the value of the 1 Gb alternative is lower than the value of the 10 Gb alternative, when measured based on the type of Exchange access it offers. Moreover, market participants that purchase 10 Gb physical ports utilize the most bandwidth and therefore consume the most resources from the network. The Exchange also anticipates that firms that utilize 10 Gb ports will benefit the most from the Exchange's investment in offering NY6 as the Exchange anticipates there will be much higher quantities of 10 Gb physical ports connecting from NY6 as compared to 1 Gb ports. Indeed, the Exchange notes that 10 Gb physical ports account for approximately 90% of physical ports across the NY4, NY5, and NY6 data centers, and to date, 80% of new port connections in NY6 are 10 Gb ports. As such, the Exchange believes the proposed fee change for 10 Gb physical ports is reasonably and appropriately allocated.

#### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed fee change will not impact intramarket competition because it will apply to all similarly situated Members equally (*i.e.*, all market participants that choose to purchase the 10 Gb physical port). Additionally, the Exchange does not believe its proposed pricing will

<sup>26</sup> See, *e.g.*, Securities Exchange Act Release Nos. 34-100994 (September 10, 2024), 89 FR 75612 (September 16, 2024) (SR-NYSEARCA-2024-79).

impose a barrier to entry to smaller participants and notes that its proposed connectivity pricing is associated with relative usage of the various market participants. For example, market participants with modest capacity needs can continue to buy the less expensive 1 Gb physical port (which cost is not changing) or may choose to obtain access via a third-party re-seller. While pricing may be increased for the larger capacity physical ports, such options provide far more capacity and are purchased by those that consume more resources from the network. Accordingly, the proposed connectivity fees do not favor certain categories of market participants in a manner that would impose a burden on competition; rather, the allocation reflects the network resources consumed by the various size of market participants—lowest bandwidth consuming members pay the least, and highest bandwidth consuming members pays the most.

The proposed fee change also does not impose a burden on competition or on other Self-Regulatory Organizations that is not necessary or appropriate. As described above, the Exchange evaluated its proposed fee change using objective and stable metric with limited volatility. Utilizing Data Processing PPI over a specified period of time is a reasonable means of recouping a portion of the Exchange's investment in maintaining and enhancing the connectivity service identified above. The Exchange believes utilizing Data Processing PPI, a tailored measure of inflation, to increase certain connectivity fees to recoup the Exchange's investment in maintaining and enhancing its services and products would not impose a burden on competition.

#### *C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange neither solicited nor received comments on the proposed rule change.

### **III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>27</sup> and paragraph (f) of Rule 19b-4<sup>28</sup> thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such

action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

### **IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

#### *Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-CboeEDGX-2025-022 on the subject line.

#### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-CboeEDGX-2025-022. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or

subject to copyright protection. All submissions should refer to file number SR-CboeEDGX-2025-022 and should be submitted on or before April 17, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>29</sup>

**J. Matthew DeLesDernier,**

*Deputy Secretary.*

[FR Doc. 2025-05201 Filed 3-26-25; 8:45 am]

**BILLING CODE 8011-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

**[Release No. 34-102709; File No. SR-CboeEDGA-2025-007]**

### **Self-Regulatory Organizations; Cboe EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Increase the Monthly Fee for 10 Gb Physical Ports**

March 21, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on March 13, 2025, Cboe EDGA Exchange, Inc. ("Exchange" or "EDGA") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### **I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

The Exchange proposes to increase the monthly fee for 10 Gb physical ports. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website ([http://markets.cboe.com/us/equities/regulation/rule\\_filings/edga/](http://markets.cboe.com/us/equities/regulation/rule_filings/edga/)), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

#### **II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these

<sup>27</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>28</sup> 17 CFR 240.19b-4(f).

<sup>29</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

*A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

1. Purpose

The Exchange proposes to amend its fee schedule relating to physical connectivity fees.<sup>3</sup>

By way of background, a physical port is utilized by a Member or non-Member to connect to the Exchange at the data centers where the Exchange's servers are located. The Exchange currently assesses the following physical connectivity fees for Members and non-Members on a monthly basis: \$2,500 per physical port for a 1 gigabit ("Gb") circuit and \$7,500 per physical port for a 10 Gb circuit. The Exchange proposes to increase the monthly fee for 10 Gb physical ports from \$7,500 to \$8,500 per port. The Exchange notes the proposed fee change better enables it to continue to maintain and improve its market technology and services and also notes that the proposed fee amount, even as amended, continues to be in line with, or even lower than, amounts assessed by other exchanges for similar connections.<sup>4</sup> The Exchange also notes

that a single 10 Gb physical port can be used to access the Systems of the following affiliate exchanges: the Cboe BYX Exchange, Inc., Cboe BZX Exchange, Inc. (options and equities platforms), Cboe EDGX Exchange, Inc. (options and equities platforms), and Cboe C2 Exchange, Inc., ("Affiliate Exchanges").<sup>5</sup> Notably, only one monthly fee currently (and will continue) to apply per 10 Gb physical port regardless of how many affiliated exchanges are accessed through that one port.<sup>6</sup>

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>7</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>8</sup> requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>9</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(4)<sup>10</sup> of the Act, which requires that Exchange rules provide for the equitable allocation of reasonable

dues, fees, and other charges among its Members and other persons using its facilities. This belief is based on various factors as described below.

First, the Exchange believes its proposal is reasonable as it reflects a moderate increase in physical connectivity fees for 10 Gb physical ports and its offering, even as amended, continues to be more affordable as compared to analogous physical connectivity offerings at competitor exchanges.<sup>11</sup>

The Exchange also believes the current fee does not properly reflect the quality of the service and product, as fees for 10 Gb physical ports have been static in nominal terms since 2018, and therefore falling in real terms due to inflation. As a general matter, the Producer Price Index ("PPI") is a family of indexes that measures the average change over time in selling prices received by domestic producers of goods and services. PPI measures price change from the perspective of the seller. This contrasts with other metrics, such as the Consumer Price Index (CPI), that measure price change from the purchaser's perspective.<sup>12</sup> About 10,000 PPIs for individual products and groups of products are tracked and released each month.<sup>13</sup> PPIs are available for the output of nearly all industries in the goods-producing sectors of the U.S. economy—mining, manufacturing, agriculture, fishing, and forestry—as well as natural gas, electricity, and construction, among others. The PPI program covers approximately 69 percent of the service sector's output, as measured by revenue reported in the 2017 Economic Census.

For purposes of this proposal, the relevant industry-specific PPI is the Data Processing, hosting and related services ("Data PPI") and more particularly the more granular service line Data Processing, Hosting and Related Services: Hosting, Active Server Pages (ASP), and Other Information Technology (IT) Infrastructure Provisioning Services.<sup>14</sup>

<sup>11</sup> See e.g., The Nasdaq Stock Market LLC ("Nasdaq"), General 8, Connectivity to the Exchange. Nasdaq and its affiliated exchanges charge a monthly fee of \$15,000 for each 10 Gbps Ultra fiber connection to the respective exchange, which is analogous to the Exchange's 10 Gbps physical port. See also New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago Inc., NYSE National, Inc. Connectivity Fee Schedule, which provides that 10 Gbps LX LCN Circuits (which are analogous to the Exchange's 10 Gb physical port) are assessed \$22,000 per month, per port.

<sup>12</sup> See <https://www.bls.gov/ppi/overview.htm>.

<sup>13</sup> *Id.*

<sup>14</sup> Provisioning is the process of preparing, assigning, and activating IT infrastructure

<sup>3</sup> The Exchange initially filed the proposed fee changes on July 3, 2023 (SR-CboeEDGA-2023-011). On September 1, 2023, the Exchange withdrew that filing and submitted SR-CboeEDGA-2023-015. On September 29, 2023, the Securities and Exchange Commission issued a Suspension of and Order Instituting Proceedings to Determine whether to Approve or Disapprove a Proposed Rule Change to Amend its Fees Schedule Related to Physical Port Fees (the "OIP") in anticipation of a possible U.S. government shutdown. On September 29, 2023, the Exchange filed the proposed fee change (SR-CboeEDGA-2023-016). On October 13, 2023, the Exchange withdrew that filing and submitted SR-CboeEDGA-2023-017. On December 12, 2023, the Exchange withdrew that filing and submitted SR-CboeEDGA-2023-022. On February 9, 2024, the Exchange withdrew that filing and submitted SR-CboeEDGA-2024-006. On April 9, 2024, the Exchange withdrew that filing and submitted SR-CboeEDGA-2024-013. On June 7, 2024, the Exchange withdrew that filing and submitted SR-CboeEDGA-2024-022. On August 29, 2024, the Exchange withdrew that filing and submitted SR-CboeEDGA-2024-036. On October 25, 2024, the Exchange withdrew that filing and submitted SR-CboeEDGA-2024-043. On December 18, 2024, the Exchange withdrew that filing and submitted SR-CboeEDGA-2024-051. On February 14, 2025, the Exchange withdrew that filing and submitted SR-CboeEDGA-2025-004. On March 13, 2025, the Exchange withdrew that filing and submitted this filing.

<sup>4</sup> See e.g., The Nasdaq Stock Market LLC ("Nasdaq"), General 8, Connectivity to the Exchange. Nasdaq and its affiliated exchanges charge a monthly fee of \$15,000 for each 10Gb Ultra

fiber connection to the respective exchange, which is analogous to the Exchange's 10Gb physical port. See also New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago Inc., NYSE National, Inc. Connectivity Fee Schedule, which provides that 10 Gb LX LCN Circuits (which are analogous to the Exchange's 10 Gb physical port) are assessed \$22,000 per month, per port.

<sup>5</sup> The Affiliate Exchanges are also submitting contemporaneous identical rule filings.

<sup>6</sup> The Exchange notes that conversely, other exchange groups charge separate port fees for access to separate, but affiliated, exchanges. See e.g., Securities and Exchange Release No. 99822 (March 21, 2024), 89 FR 21337 (March 27, 2024) (SR-MIAX-2024-016).

<sup>7</sup> 15 U.S.C. 78f(b).

<sup>8</sup> 15 U.S.C. 78f(b)(5).

<sup>9</sup> *Id.*

<sup>10</sup> 15 U.S.C. 78f(b)(4).

The Data PPI was introduced in January 2002 by the Bureau of Labor Statistics (“BLS”) as part of an ongoing effort to expand Producer Price Index coverage of the services sector of the U.S. economy and is identified as NAICS–518210 in the North American Industry Classification System (“NAICS”).<sup>15</sup> According to the BLS “[t]he primary output of NAICS 518210 is the provision of electronic data processing services. In the broadest sense, computer services companies help their customers efficiently use technology. The processing services market consists of vendors who use their own computer systems—often utilizing proprietary software—to process customers’ transactions and data. Price movements for the NAICS 518210 index are based on changes in the revenue received by companies that provide data processing services and price movements for the service line NAICS 518210 index are based on changes in the revenue received by companies that provide, among other things, IT infrastructure provisioning services. Each month, companies provide net transaction prices for a specified service. The transaction is an actual contract selected by probability, where the price-determining characteristics are held constant while the service is repriced. The prices used in index calculation are the actual prices billed for the selected service contract.”<sup>16</sup>

The service (product) lines for which price indexes are available under the Data PPI are: (1) business process management services (2) data management and storage information transformation and other services and (3) hosting ASP and other IT infrastructure provisioning services. The most apt of these industry and product specific categorizations for purposes of this present proposal to modify fees for the 10 Gb physical port fee measures inflation for the provision of data

components, such as servers, storage, and network connectivity, according to user requirements. It is a critical part of IT operations, as it ensures that computing resources are available when needed and that they are set up and connected to work correctly.

<sup>15</sup> See <https://www.bls.gov/ppi/overview.htm>. Among the industry-specific PPIs is for North American Industry Classification System (“NAICS”) Code 518210: “Data Processing and Related Services.” NAICS index codes categorize products and services that are common to particular industries. According to BLS, these codes “provide comparability with a wide assortment of industry-based data for other economic programs, including productivity, production, employment, wages, and earnings.”

<sup>16</sup> See <https://www.bls.gov/ppi/factsheets/producer-price-index-for-the-data-processing-and-related-services-industry-naics-518210.htm>.

processing, hosting and related services as well as other information technology infrastructure provisioning services which BLS identifies as identified as NAICS–518210.<sup>17</sup> The Exchange believes that this measure of inflation is particularly appropriate because the Exchange’s connectivity services involve hosting and providing connections to its customers’ telecommunications and information technology equipment, as well as preparing, assigning, and activating IT infrastructure components, such as servers, storage, and network connectivity. The Exchange also uses its “proprietary software,” *i.e.*, its own proprietary matching engine software, to receive orders on the Exchange’s proprietary trading platform as well as to collect, organize, store and report customers’ transactions. In other words, the Exchange is in the business of data processing, hosting, ASP, and providing other IT infrastructure provisioning services. Specifically, within this category, the Exchange points to the financial business process management services category under the umbrella of data processing.<sup>18</sup> The financial business process management services is described as “providing a bundled service package that combines information-technology-intensive services with labor (manual or professional depending on the solution), machinery, and facilities to support, host and manage a financial business process for a client, such as financial transaction processing, credit card processing, payment services, and lending services.”<sup>19</sup> The Exchange’s connectivity service provides connections to its customers’ telecommunications and information technology equipment, as well as preparing, assigning, and activating IT infrastructure components to facilitate the transmission of orders and receipt of financial transactions for its customers’ while connected to the Exchange.

Further, the Exchange believes that this specific index is best suited to guide this price increase as it reflects the change in this specific instance over the last seven years instead of looking at the underlying components of the service. PPI has published broad guidance regarding price adjustments for contracts,<sup>20</sup> and within this it noted that contracting parties should choose

<sup>17</sup> See <https://data.bls.gov/timeseries/PCU5182105182105>.

<sup>18</sup> See <https://voorburchgroup.org/Documents/2018%20Rome/Papers/1014.pdf>.

<sup>19</sup> *Id.*

<sup>20</sup> See <https://www.bls.gov/ppi/publications/price-adjustment-guide-for-contracting-parties.htm#FOOT5>.

an index or group of indexes that represent the cost for providing a particular product or service, rather than an index for the product itself.<sup>21</sup> While this helps a contracting seller avoid a circumstance where it is unable to raise its price for the product itself if the underlying components have increased and the PPI for the product itself has not yet increased—this is not the case here. The Exchange instead is using historical data over a seven-year period as a reference point for its proposed increase moving forward—underlying components that have increased over the course of seven years have since (by and large) been reflected in the product itself.

The Exchange further believes the Data PPI is an appropriate measure for purposes of the proposed rule change on the basis that it is a stable metric with limited volatility, unlike other consumer-side inflation metrics. In fact, the Data PPI has not experienced a greater than 2.16% increase for any one calendar year period since Data PPI was introduced into the PPI in January 2002. For example, the average calendar year change from January 2002 to December 2023 was .62%, with a cumulative increase of 15.67% over this 21-year period. The Exchange believes the Data PPI is considerably less volatile than other inflation metrics such as CPI, which has had individual calendar-year increases of more than 6.5%, and a cumulative increase of over 73% over the same period.<sup>22</sup>

As noted above, the current 10 Gb physical port fee remained unchanged for almost seven years, particularly since June 2018.<sup>23</sup> Since its last increase almost 7 years ago however, there has been notable inflation, including under the industry- and product-specific PPI, which as described above is a tailored measure of inflation. Particularly, the Hosting, ASP and other IT Infrastructure Provisioning Services inflation measure had a starting value of 102.2 in June 2018 (the month the Exchange started assessing the current fee) and an ending value of 118.502 in January 2025, representing an 16% increase.<sup>24</sup> This

<sup>21</sup> “For example, if an apparel manufacturer were contracting for long-term purchases with a producer of finished fabrics, it would be more advisable to tie the price adjustment clause to a PPI for synthetic fibers, processed yarns and threads, or greige fabrics (raw fabric), rather than to a PPI for a type of finished fabric.” *Id.*

<sup>22</sup> See <https://www.usinflationcalculator.com/inflation/consumer-price-index-and-annual-percent-changes-from-1913-to-2008/>.

<sup>23</sup> See Securities and Exchange Release No. 83449 (June 15, 2018), 83 FR 28890 (June 21, 2018) (SR–CboeEDGA–2018–010).

<sup>24</sup> See <https://data.bls.gov/timeseries/PCU5182105182105>.

indicates that companies who are also in the hosting ASP and other IT infrastructure provisioning services have generally increased prices for a specified service covered under NAICS 5182105 by an average of 16% during this period.

The Exchange also believes that it is reasonable to increase its fees to compensate for inflation because, over time, inflation has degraded the value of each dollar that the Exchange collects in fees, such that the real revenue collected today is considerably less than that same revenue collected in 2018. The impact of this inflationary effect is also independent of any change in the Exchange's costs in providing its goods and services. The Exchange therefore believes that it is reasonable for it to offset, in part, this erosion in the value of the revenues it collects. Additionally, the Exchange historically does not increase fees every year notwithstanding inflation.<sup>25</sup> Other exchanges have also filed for increases in certain fees, based in part on comparisons to inflation.<sup>26</sup> Accordingly, based on the above-described percentage change based on an industry- and product-specific inflationary measure, and in conjunction with the rationale further described above and below, the Exchange believes the proposed fee increase is reasonable.

Next, the Exchange believes significant investments into, and enhanced performance of, the Exchange, in the years following the last 10 Gb physical port fee increase support the reasonableness of the proposed fee increase. These investments enhanced the quality of its services, as measured by, among other things, increased throughput and faster processing speeds. Customers have therefore greatly benefitted from these investments, while the Exchange's ability to recoup its investments has been hampered.

For example, the Exchange and its affiliated exchanges recently launched a multi-year initiative to improve Cboe Exchange Platform performance and capacity requirements to increase

competitiveness, support growth and advance a consistent world class platform. The goal of the project, among other things, is to provide faster and more consistent order handling and matching performance for options, while ensuring quicker processing time and supporting increasing volumes and capacity needs. For example, the Exchange recently performed switch hardware upgrades. Particularly, the Exchange replaced existing customer access switches with newer models, which the Exchange believes resulted in increased determinism. The recent switch upgrades also increased the Exchange's capacity to accommodate more physical ports by nearly 50%. Network bandwidth was also increased nearly two-fold as a result of the upgrades, which among other things, can lead to reduce message queuing. The Exchange also believes these newer models result in less natural variance in the processing of messages. The Exchange notes that it incurred costs associated with purchasing and upgrading to these newer models, of which the Exchange has not otherwise passed through or offset.

As of April 1, 2024, market participants also having the option of connecting to a new data center (*i.e.*, Secaucus NY6 Data Center ("NY6")), in addition to the current data centers at NY4 and NY5. The Exchange made NY6 available in response to customer requests in connection with their need for additional space and capacity. In order to make this space available, the Exchange expended significant resources to prepare this space, and will also incur ongoing costs with respect to maintaining this offering, including costs related to power, space, fiber, cabinets, panels, labor and maintenance of racks. The Exchange also incurred a large cost with respect to ensuring NY6 would be latency equalized, as it is for NY4 and NY5.

The Exchange also has made various other improvements since the current physical port rates were adopted in 2018. For example, the Exchange has updated its customer portal to provide more transparency with respect to firms' respective connectivity subscriptions, enabling them to better monitor, evaluate and adjust their connections based on their evolving business needs. The Exchange also performs proactive audits on a weekly basis to ensure that all customer cross connects continue to fall within allowable tolerances for Latency Equalized connections. Accordingly, the Exchange expended, and will continue to expend, resources to innovate and modernize technology so that it may benefit its Members and

continue to compete among other equities markets. The ability to continue to innovate with technology and offer new products to market participants allows the Exchange to remain competitive in the equities space which currently has 16 equities markets and potential new entrants. If the Exchange were not able to assess incrementally higher fees for its connectivity, it would effectively impact how the Exchange manages its technology and hamper the Exchange's ability to continue to invest in and fund access services in a manner that allows it to meet existing and anticipated access demands of market participants. Disapproval of fee changes such as the proposal herein, could also have the adverse effect of discouraging an exchange from improving its operations and implementing innovative technology to the benefit of market participants if it believes the Commission would later prevent that exchange from recouping costs and monetizing its operational enhancements, thus adversely impacting competition as well as the interests of market participants and investors.

Finally, the proposed fee is also the same as is concurrently being proposed for its Affiliate Exchanges. Further, Members are able to utilize a single port to connect to all of its Affiliate Exchanges and will only be charged one single fee (*i.e.*, a market participant will only be assessed the proposed \$8,500 even if it uses that physical port to connect to the Exchange and another (or even all 6) of its Affiliate Exchanges. Particularly, the Exchange believes the proposed monthly per port fee is reasonable, equitable and not unfairly discriminatory since as the Exchange has determined to not charge multiple fees for the same port. Indeed, the Exchange notes that several ports are in fact purchased and utilized across one or more of the Exchange's affiliated Exchanges (and charged only once).

The Exchange also believes that the proposed fee change is not unfairly discriminatory because it would be assessed uniformly across all market participants that purchase the physical ports. The Exchange believes increasing the fee for 10 Gb physical ports and charging a higher fee as compared to the 1 Gb physical port is equitable as the 1 Gb physical port is 1/10th the size of the 10 Gb physical port and therefore does not offer access to many of the products and services offered by the Exchange (*e.g.*, ability to receive certain market data products). Thus, the value of the 1 Gb alternative is lower than the value of the 10 Gb alternative, when measured based on the type of Exchange access it

<sup>25</sup> As the Exchange historically does not increase fees every year notwithstanding inflation, the Exchange believes that the more specific index is appropriate to look at as it is reflective of the cumulative increase over the course of almost seven years. While the PPI has published guidance that a broader index may be more helpful to reference in a contract to avoid large swings on a shorter duration (and to which such a swing over a brief duration may trigger additional obligations), the Exchange, in contrast, is instead looking forward to adjust its price to reflect changes in the industry over the past seven years. See *supra* note 20.

<sup>26</sup> See, *e.g.*, Securities Exchange Act Release Nos. 34-100994 (September 10, 2024), 89 FR 75612 (September 16, 2024) (SR-NYSEARCA-2024-79).

offers. Moreover, market participants that purchase 10 Gb physical ports utilize the most bandwidth and therefore consume the most resources from the network. The Exchange also anticipates that firms that utilize 10 Gb ports will benefit the most from the Exchange's investment in offering NY6 as the Exchange anticipates there will be much higher quantities of 10 Gb physical ports connecting from NY6 as compared to 1 Gb ports. Indeed, the Exchange notes that 10 Gb physical ports account for approximately 90% of physical ports across the NY4, NY5, and NY6 data centers, and to date, 80% of new port connections in NY6 are 10 Gb ports. As such, the Exchange believes the proposed fee change for 10 Gb physical ports is reasonably and appropriately allocated.

#### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed fee change will not impact intramarket competition because it will apply to all similarly situated Members equally (*i.e.*, all market participants that choose to purchase the 10 Gb physical port). Additionally, the Exchange does not believe its proposed pricing will impose a barrier to entry to smaller participants and notes that its proposed connectivity pricing is associated with relative usage of the various market participants. For example, market participants with modest capacity needs can continue to buy the less expensive 1 Gb physical port (which cost is not changing) or may choose to obtain access via a third-party re-seller. While pricing may be increased for the larger capacity physical ports, such options provide far more capacity and are purchased by those that consume more resources from the network. Accordingly, the proposed connectivity fees do not favor certain categories of market participants in a manner that would impose a burden on competition; rather, the allocation reflects the network resources consumed by the various size of market participants—lowest bandwidth consuming members pay the least, and highest bandwidth consuming members pay the most.

The proposed fee change also does not impose a burden on competition or on other Self-Regulatory Organizations that is not necessary or appropriate. As described above, the Exchange evaluated its proposed fee change using objective and stable metric with limited volatility. Utilizing Data Processing PPI

over a specified period of time is a reasonable means of recouping a portion of the Exchange's investment in maintaining and enhancing the connectivity service identified above. The Exchange believes utilizing Data Processing PPI, a tailored measure of inflation, to increase certain connectivity fees to recoup the Exchange's investment in maintaining and enhancing its services and products would not impose a burden on competition.

#### *C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange neither solicited nor received comments on the proposed rule change.

### **III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>27</sup> and paragraph (f) of Rule 19b-4<sup>28</sup> thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

### **IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

#### *Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-CboeEDGA-2025-007 on the subject line.

#### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

<sup>27</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>28</sup> 17 CFR 240.19b-4(f).

All submissions should refer to file number SR-CboeEDGA-2025-007. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-CboeEDGA-2025-007 and should be submitted on or before April 17, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>29</sup>

**J. Matthew DeLesDernier,**  
*Deputy Secretary.*

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**BILLING CODE 8011-01-P**

### **SECURITIES AND EXCHANGE COMMISSION**

**[Release No. 34-102708; File No. SR-LCH SA-2025-002]**

#### **Self-Regulatory Organizations; LCH SA; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Cash Spreads and Fees on Securities Collateral**

March 21, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup>

<sup>29</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

notice is hereby given that on March 18, 2025, Banque Centrale de Compensation, which conducts business under the name LCH SA (“LCH SA”), filed with the Securities and Exchange Commission (“Commission”) the proposed rule change (“Proposed Rule Change”) described in Items I, II and III below, which Items have been primarily prepared by LCH SA. LCH SA has designated this proposal for immediate effectiveness pursuant to Section 19(b)(3)(A) of the Act<sup>3</sup> and Rule 19b-4(f) thereunder.<sup>4</sup> The Commission is publishing this notice to solicit comments on the Proposed Rule Change from interested persons.

### I. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change

LCH SA is proposing to amend the fees it charges clearing members for cash and securities collateral posted as initial margin for its clearing services including CDSClear (the “Proposed Rule Change”).

The text of the Proposed Rule Change has been annexed [SIC] as Exhibit 5 to File No. SR-LCH SA–2025–002.<sup>5</sup> The implementation of the Proposed Rule Change is expected on April 1st, 2025 but will be contingent on LCH SA’s

receipt of all necessary regulatory approvals.

### II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, LCH SA included statements concerning the purpose of and basis for the Proposed Rule Change and discussed any comments it received on the Proposed Rule Change. The text of these statements may be examined at the places specified in Item IV below. LCH SA has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

#### A. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

##### 1. Purpose

LCH SA currently applies a spread for clearing member cash collateral and charges fees on securities collateral posted to cover initial margin requirements for its CDSClear business. Cash collateral spreads are primarily based on underlying market conditions for a given currency and are subtracted from a reference index to determine a total rate to be applied to CDSClear

house and client accounts. Securities collateral fees are primarily based on a combination of factors, including, but not limited to operational costs to manage a specific non-cash collateral type, the liquidation profile and subsequent impact on LCH SA’s liquidity coverage ratio of the securities collateral and commercial considerations such as competitive landscape. The securities collateral fees charged to clearing members varies based on the instrument type (e.g., government securities), whether the securities collateral is posted on behalf of the CDSClear house account or on behalf of CDSClear clients and the method of posting the collateral (i.e., full title transfer, pledge or tri-party). The purpose of the Proposed Rule Change is for LCH SA to amend the cash spreads and securities collateral fees for margin collateral posted by clearing members.

##### i. Cash Collateral Fees

LCH SA currently accepts EUR, GBP and USD cash to satisfy initial margin requirements for its CDSClear business and applies the following cash collateral spreads for CDSClear house and client accounts:

| Currency  | Unsecured overnight index | Cash collateral fee/spread (bps) |                  |               |
|-----------|---------------------------|----------------------------------|------------------|---------------|
|           |                           | All markets                      | CDSClear clients | Default funds |
| EUR ..... | €STR .....                | 19.5                             | 6.5              | 11.5          |
| GBP ..... | SONIA .....               | 33                               | 20               |               |
| USD ..... | FEDFUND .....             | 28                               | 15               |               |

In order to ensure the continuation of dynamic collateral pricing and to incentivize an appropriate collateral mix, LCH SA is proposing to decrease the cash collateral spread for EUR by 2bps from 19.5 to 17.5. An increased proportion of cash collateral on deposit would be expected to marginally enhance LCH SA’s Liquidity Coverage Ratio (“LCR”) and further enhance its liquidity risk profile by incentivizing clearing members to increase the

amount of cash to satisfy margin requirements. The additional cash corresponding to the haircut amount applied to non-cash securities will add to LCH SA’s total liquid resources, which can be used for the settlement of daily payment obligations, including with respect to the default of the participant family generating the largest aggregate payment obligation for LCH SA.

##### ii. Securities Collateral Fees

In order to ensure the continuation of dynamic collateral pricing and to incentivize an appropriate collateral mix, LCH SA is also proposing to amend the fees it charges clearing members for securities collateral posted as initial margin. LCH SA currently applies the following fees for securities collateral for CDSClear house and client accounts:

| Securities             | House               |        |          | Client           |
|------------------------|---------------------|--------|----------|------------------|
|                        | Full title transfer | Pledge | Triparty | CDSClear clients |
| Government Securities: |                     |        |          |                  |
| Australia .....        | 14                  | NA     | NA       | 10               |
| Austria .....          | 12                  | 25     | 10.5     | 10               |
| Belgium .....          | 12                  | 25     | 10.5     | 10               |
| Canada .....           | 14                  | NA     | NA       | 10               |

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>4</sup> 17 CFR 240.19b-4(f).

<sup>5</sup> All capitalized terms not defined herein have the same definition as in the CDS Clearing Rule

Book available at [https://www.lch.com/system/files/media\\_root/CDSClear\\_Rule\\_Book\\_01.02.2024.pdf](https://www.lch.com/system/files/media_root/CDSClear_Rule_Book_01.02.2024.pdf).

| Securities                                               | House               |        |          | Client           |
|----------------------------------------------------------|---------------------|--------|----------|------------------|
|                                                          | Full title transfer | Pledge | Triparty | CDSClear clients |
| Denmark .....                                            | 14                  | NA     | NA       | 10               |
| Finland .....                                            | 12                  | 25     | 10.5     | 10               |
| France .....                                             | 12                  | 25     | 10.5     | 10               |
| Germany .....                                            | 12                  | 25     | 10.5     | 10               |
| Italy .....                                              | 12                  | 25     | 10.5     | 10               |
| Japan .....                                              | 14                  | NA     | NA       | 10               |
| Netherlands .....                                        | 12                  | 25     | 10.5     | 10               |
| Norway .....                                             | 14                  | NA     | NA       | 10               |
| Portugal .....                                           | 12                  | NA     | 10.5     | 10               |
| Spain .....                                              | 12                  | 25     | 10.5     | 10               |
| Sweden .....                                             | 14                  | NA     | NA       | 10               |
| Switzerland .....                                        | 14                  | NA     | NA       | 10               |
| UK .....                                                 | 12                  | 25     | NA       | 10               |
| USA .....                                                | 12                  | 25     | NA       | 10               |
| Supranationals:                                          |                     |        |          |                  |
| European Financial Stability Facility .....              | 14                  | 25     | 12.5     | 10               |
| European Stability Mechanism .....                       | 14                  | 25     | 12.5     | 10               |
| European Investment Bank .....                           | 14                  | 25     | 12.5     | 10               |
| European Union .....                                     | 14                  | 25     | 12.5     | 10               |
| Investment Bank for Reconstruction and Development ..... | 14                  | 25     | 12.5     | 10               |
| Agencies:                                                |                     |        |          |                  |
| Rentenbank .....                                         | 14                  | 25     | 12.5     | 10               |
| Kreditanstalt für Wiederaufbau .....                     | 14                  | 25     | 12.5     | 10               |
| CADES .....                                              | 14                  | 25     | NA       | 10               |
| Equities:                                                |                     |        |          |                  |
| All (as listed in Haircut Schedule) .....                | 14                  | NA     | NA       | NA               |

LCH SA is proposing to decrease the fees charged for USD treasuries to CDSClear clients only, from 10 to 5bps which will support the expansion of the client clearing activities in the U.S. and also promote competition on this market. Indeed, LCH SA currently receives a small proportion of collateral as USD Treasuries. The proposed fee charged on USD treasuries has been fixed at a competitive level based on clearing members feedback and competitive market considerations.

LCH SA is also proposing to increase by 2bps the fees charged on each securities collateral type (excluding any change to Pledge, CBGs and other CDSClear clients' spreads).

The previous wording "Effective from 1st November 2024" which is not relevant anymore will be removed.

## 2. Statutory Basis

LCH SA believes that the Proposed Rule Change is consistent with the requirements of Section 17A of the Exchange Act<sup>6</sup> and the regulations thereunder applicable to LCH SA. Section 17A(b)(3)(D) of the Act<sup>7</sup> requires that the rules of a clearing agency provide for the equitable allocation of reasonable dues, fees and other charges among its participants.

Considering the current competitive market conditions with the assessment that there won't be any significant

impact on the expected CDSClear revenues, LCH SA believes the proposed amendments to the fees applied to cash collateral and securities collateral for the CDSClear business are reasonable.

In addition, LCH SA believes the Proposed Rule Change is equitable for all participants as all CDSClear members will continue to have the choice to post either securities collateral or cash collateral to satisfy initial margin requirements. Clearing members wishing to post securities collateral via FTT will continue to face a lower fee than posting via a pledge arrangement. Likewise, clearing members may continue to post securities collateral via the tri-party option at a lower fee rate than FTT or via pledge. LCH SA believes the change in securities collateral fees are equitable for all clearing members and enables LCH SA to strengthen its liquidity risk profile.

LCH SA also believes the amendments to the spreads applied to cash collateral and fees applied to securities collateral for the CDSClear business are consistent with the requirements set forth in Exchange Act Rule 17Ad-22(e)(7)(i).<sup>8</sup> Exchange Act Rule 17Ad-22(e)(7)(i) requires clearing agencies to, *inter alia*, establish, implement, maintain and enforce written policies and procedures reasonably designed to . . . maintain sufficient liquid resources at the

minimum in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of foreseeable stress scenarios that includes, but is not limited to, the default of the participant family that would generate the largest aggregate payment obligation for the covered clearing agency in extreme but plausible market conditions.<sup>9</sup> As mentioned, LCH SA is proposing to increase the fees charged on each securities collateral type posted as initial margin which may create an additional incentive for clearing members to post EUR cash collateral to satisfy initial margin requirements. This will benefit to LCR, improve the LCH SA's liquidity risk profile and meet the requirements of Exchange Act Rule 17Ad-22(e)(7)(i).<sup>10</sup>

For all these reasons, LCH SA believes the Proposed Rule Change is consistent with the requirements of Section 17A(b)(3)(D) of the Act<sup>11</sup> in that the amendments to the cash spreads and securities fees are reasonable and equitable among its participants. In addition, LCH SA believes that the Proposed Rule Change is consistent with the requirements of Exchange Act

<sup>9</sup> *Id.*

<sup>10</sup> 17 CFR 240.17Ad-22(e)(7)(i).

<sup>11</sup> 15 U.S.C. 78q-1(b)(3)(D).

<sup>6</sup> 15 U.S.C. 78a *et seq.*

<sup>7</sup> 15 U.S.C. 78q-1(b)(3)(D).

<sup>8</sup> *Id.*

Rule 17Ad-22(e)(7)(i)<sup>12</sup> by enhancing LCH SA's liquidity risk profile.

#### *B. Clearing Agency's Statement on Burden on Competition*

Section 17A(b)(3)(I) of the Act<sup>13</sup> requires that the rules of a clearing agency not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. LCH SA does not believe that the Proposed Rule Change would impose any burden on competition.

The Proposed Rule Change will apply equally to all participants that will continue to have access to the clearing services with the option of posting securities collateral as initial margin or instead post cash collateral. The fee decrease on USD treasuries for CDS Clear clients will promote the competition on US client clearing activity.

Therefore, LCH SA does not believe that the Proposed Rule Change would impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

#### *C. Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others*

Written comments relating to the Proposed Rule Change have not been solicited or received. LCH SA will notify the Commission of any written comments received by LCH SA.

### **III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and paragraph (f) of Rule 19b-4 thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

### **IV. Solicitation of Comments**

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

#### *Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or

- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-LCH SA-2025-002 on the subject line.

#### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-LCH SA-2025-002. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of such filings will also be available for inspection and copying at the principal office of LCH SA and on LCH SA's website at <http://www.lch.com/resources/rules-and-regulations/proposed-rule-changes-0>. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection.

All submissions should refer to file number SR-LCH SA-2025-002 and should be submitted on or before April 17, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>14</sup>

**J. Matthew DeLesDernier,**  
Deputy Secretary.

[FR Doc. 2025-05203 Filed 3-26-25; 8:45 am]

**BILLING CODE 8011-01-P**

### **SECURITIES AND EXCHANGE COMMISSION**

[OMB Control No. 3235-0726]

#### **Proposed Collection; Comment Request; Extension: Rules 300-304 of Regulation Crowdfunding (Intermediaries)**

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 ("PRA") (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") is soliciting comments on the collection of information provided for Rule 17Ab2-1 (17 CFR 240.17Ab2-1) and Form CA-1: Registration of Clearing Agencies (17 CFR 249b.200) under the Securities Exchange Act of 1934 ("Exchange Act") (15 U.S.C. 78a *et seq.*). The Commission plans to submit this existing collection of information to the Office of Management and Budget ("OMB") for extension and approval.

Rules 300-304 of Regulation Crowdfunding enumerate the requirements with which intermediaries must comply to participate in the offer and sale of securities in reliance on Section 4(a)(6) of the Securities Act of 1933 ("Section 4(a)(6)"). Rule 300 requires an intermediary to be registered with the Commission as a broker or as a funding portal and be a member of a registered national securities association.<sup>1</sup>

Rule 301 requires intermediaries to have a reasonable basis for believing that an issuer seeking to offer and sell securities in reliance on Section 4(a)(6) through the intermediary's platform complies with the requirements in Section 4A(b) of the Securities Act and the related requirements in Regulation Crowdfunding. Rule 302 provides that no intermediary or associated person of an intermediary may accept an investment commitment in a transaction involving the offer or sale of securities made in reliance on Section 4(a)(6) until the investor has opened an account with the intermediary and the intermediary has obtained from the investor consent to electronic delivery of materials. Rule 303 requires an intermediary to make publicly available on its platform the information that an issuer of crowdfunding securities is required to provide to potential investors, in a manner that reasonably permits a

<sup>12</sup> 17 CFR 240.17Ad-22(e)(7)(i).

<sup>13</sup> 15 U.S.C. 78q-1(b)(3)(I).

<sup>14</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> Currently, FINRA is the only registered national securities association.

person accessing the platform to save, download, or otherwise store the information, for a minimum of 21 days before any securities are sold in the offering, during which time the intermediary may accept investment commitments. Rule 303 also requires intermediaries to comply with the requirements related to the maintenance and transmission of funds. An intermediary that is a registered broker is required to comply with the requirements of Rule 15c2-4 of the Securities Exchange Act of 1934 ("Exchange Act") (Transmission or Maintenance of Payments Received in Connection with Underwritings).<sup>2</sup> An intermediary that is a registered funding portal must direct investors to transmit the money or other consideration directly to a qualified third party that has agreed in writing to hold the funds for the benefit of, and to promptly transmit or return the funds to, the persons entitled thereto in accordance with Regulation Crowdfunding.

The rules also require intermediaries to implement and maintain systems to comply with the information disclosure, communication channels, and investor notification requirements. These requirements include providing disclosure about compensation at account opening (Rule 302), obtaining investor acknowledgements to confirm investor qualifications and review of educational materials (Rule 303), providing investor questionnaires (Rule 303), providing communication channels with third parties and among investors (Rule 303), notifying investors of investment commitments (Rule 303), confirming completed transactions (Rule 303) and confirming or reconfirming offering cancellations (Rule 304).

The Commission staff estimates that there will be 135 intermediaries engaged in crowdfunding activity and therefore subject to Rules 300–304. The Commission staff estimates the annualized industry burden will be 27,732 hours to comply with Rules 300–304. The Commission staff further estimates that the costs associated with complying with Rules 300–304 will be a total amount of \$16,960,716.

*Written comments are invited on:* (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's estimates of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity

of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted by May 27, 2025.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

Please direct your written comments to: Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Tanya Ruttenberg, 100 F Street NE, Washington, DC 20549, or send an email to:

*PaperworkReductionAct@sec.gov.*

Dated: March 24, 2025.

**Sherry R. Haywood,**  
Assistant Secretary.

[FR Doc. 2025-05264 Filed 3-26-25; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-0645]

### Proposed Collection; Comment Request; Extension: Interactive Data

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") is soliciting comments on the collection of information summarized below. The Commission plans to submit this existing collection of information to the Office of Management and Budget for extension and approval.

The "Interactive Data" collection of information requires issuers filing registration statements under the Securities Act of 1933 (15 U.S.C. 77a *et seq.*) ("Securities Act") and reports under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*) ("Exchange Act") to submit specified financial information to the Commission in interactive data format using eXtensible Business Reporting Language (XBRL). This collection of information is located primarily in registration statement and report exhibit provisions, which require interactive data, and Rule 405 of Regulation S-T (17 CFR 232.405), which specifies how to submit interactive data.

The exhibit provisions are in Item 601(b)(101) of Regulation S-K (17 CFR 229.601(b)(101)), Form F-10 under the Securities Act (17 CFR 239.40), and Forms 20-F, 40-F, and 6-K under the Exchange Act (17 CFR 249.220f, 17 CFR 249.240f, and 17 CFR 249.306).

In interactive data format, financial statement information can be downloaded directly into spreadsheets and analyzed in a variety of ways using commercial off-the-shelf software. The specified financial information already is and will continue to be required to be submitted to the Commission in traditional format under existing requirements. The purpose of the interactive data requirements is to make financial information easier for investors to analyze and assist issuers in automating regulatory filings and business information processing. We estimate that 8,218 respondents per year will each submit an average of 4.5 responses per year for an estimated total of 36,981 responses annually. We further estimate an internal burden of 53.1111 hours per response for a total internal burden of 1,964,102 hours (53.1111 hours per response × 36,981 responses).

*Written comments are invited on:* (a) whether this proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden imposed by the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication by May 27, 2025.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Please direct your written comment to Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Tanya Ruttenberg, 100 F Street NE, Washington, DC 20549 or send an email to: *PaperworkReductionAct@sec.gov.*

Dated: March 24, 2025.

**Sherry R. Haywood,**  
Assistant Secretary.

[FR Doc. 2025-05274 Filed 3-26-25; 8:45 am]

**BILLING CODE 8011-01-P**

<sup>2</sup> 17 CFR 240.15c2-4.

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–102712; File No. SR–DTC–2025–003]

### Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing of Proposed Rule Change Relating to a Participant System Disruption

March 21, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> notice is hereby given that on March 14, 2025, The Depository Trust Company (“DTC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the clearing agency. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of amendments to Rule 38(A) (Systems Disconnect: Threat of Significant Impact to the Corporation’s Systems) of the Rules, By-Laws and Organization Certificate of DTC. DTC’s two affiliate clearing agencies, Fixed Income Clearing Corporation (“FICC”) and National Securities Clearing Corporation (“NSCC,” and together with DTC and FICC, the “Clearing Agencies,” or “Clearing Agency” when referring to one of any of the three Clearing Agencies)<sup>3</sup> will each file with the Commission substantively similar proposals to amend their corresponding rules: Rule 50A of the FICC Government Securities Division (“FICC–GSD”) Rulebook, Rule 40A of the FICC Mortgage-Backed Securities Division (“FICC–MBSD”) Clearing Rules, and Rule 60A of the NSCC Rules & Procedures (collectively with DTC Rule 38(A), the “Disruption Rules”).<sup>4</sup> Accordingly, each respective filing is written from the perspective of the

Clearing Agencies, collectively, instead of DTC, FICC, or NSCC individually, but application of the proposed rule changes would only apply to the DTCC Systems Participant (as defined below) of the corresponding Clearing Agency or Clearing Agencies.<sup>5</sup>

The current Disruption Rules contain provisions identifying the events or circumstances that would be considered a Major Event<sup>6</sup> or Systems Disruption.<sup>7</sup> During the pendency of a Major Event, the Disruption Rules authorize the Clearing Agencies to take certain actions, within a prescribed governance framework, to mitigate the effect of the Major Event on the Clearing Agencies, their respective members or participants as defined in the respective rules of the applicable Clearing Agency (hereinafter, “Respective Participants”),<sup>8</sup> their Affiliates, and the industry more broadly.

The proposed rule changes would (i) update and add definitions used throughout the Disruption Rules; (ii) update the provisions and governance for declaring a Major Event (which would be redefined as a Major System Event;<sup>9</sup>) (iii) clarify and enhance the

requirements of the DTCC Systems Participant<sup>10</sup> to notify the Clearing Agencies of a Systems Disruption (which would be redefined as a Participant System Disruption;<sup>11</sup>) (iv) add provisions incorporating the reporting, testing, and approval requirements, process, legal obligations, and governance necessary for “reconnection” (as defined by this proposed rule change)<sup>12</sup> of a DTCC Systems Participant that was “disconnected” from DTCC Systems<sup>13</sup> pursuant to a Disruption Rule; and (v) make technical, ministerial, and other conforming and clarifying changes, including updating the name of the Disruption Rules.

of, disclosure of, or loss of DTCC Confidential Information; or cause a strain on, loss of, or overall threat to the Corporation’s resources, functions, security or operations.”

<sup>10</sup> “DTCC Systems Participant” is currently defined in the Disruption Rules as, “a [Respective Participant], or third party service provider, or service bureau that is connecting with the DTCC Systems.” Disruption Rules, *supra* note 4, Section 1. Pursuant to this proposed rule change, DTCC Systems Participant would be redefined in the Disruption Rules as, “(A) any [Respective Participant], or an Affiliate of any [Respective Participant], that directly or indirectly connects with DTCC Systems; or (B) any third-party service provider, service bureau, or other similar entity that directly or indirectly connects with DTCC Systems on behalf of or for the benefit of any [Respective Participant], or an Affiliate of any [Respective Participant].”

<sup>11</sup> Pursuant to this proposed rule change, Systems Disruption would be deleted and replaced with “Participant System Disruption,” to be defined as, “the actual or reasonably anticipated unauthorized access to, or unavailability, failure, malfunction, overload, corruption, or restriction (whether partial or total) of one or more systems of a DTCC Systems Participant.”

<sup>12</sup> Pursuant to this proposed rule change, “Reconnection” would be defined as the reestablishment of connectivity between DTCC Systems and the DTCC Systems Participant that was the subject of action taken pursuant to a Disruption Rule.

<sup>13</sup> “DTCC Systems” is currently defined in the Disruption Rules as, “the systems, equipment and technology networks of DTCC, the Corporation and/or their Affiliates, whether owned, leased, or licensed, software, devices, IP addresses, or other addresses or accounts used in connection with providing the services set forth in the Rules, or used to transact business or to manage the connection with the Corporation.” Disruption Rules, *supra* note 4, Section 1. Pursuant to this proposed rule change, the definition would be updated to mean “the systems, equipment and technology networks of DTCC, the Corporation and/or any Affiliates of DTCC or the Corporation, whether owned, leased, or licensed, and including software, hardware, applications, devices, IP addresses, or other addresses or accounts used in connection with such systems, equipment and technology networks, to provide the services set forth in these [Rules & Procedures/Rules and the Procedures/Rules], or otherwise used to transact business or connect with DTCC, the Corporation, or any Affiliates of DTCC or the Corporation.”

<sup>5</sup> Capitalized terms not otherwise defined herein have the meaning as set forth in the respective rules of the Clearing Agencies, available at <https://www.dtcc.com/legal/rules-and-procedures>.

<sup>6</sup> “Major Event” is currently defined in the Disruption Rules as, “the happening of one or more System Disruption(s) that is reasonably likely to have a significant impact on the Corporation’s operations, including the DTCC Systems, that affect the business, operations, safeguarding of securities or funds, or physical functions of the Corporation, [Respective Participants] and/or other market participants.” Disruption Rules, *supra* note 4, Section 1.

<sup>7</sup> “Systems Disruption” is currently defined in the Disruption Rules as, “the unavailability, failure, malfunction, overload, or restriction (whether partial or total) of a DTCC Systems Participant’s systems that disrupts or degrades the normal operation of such DTCC Systems Participant’s systems; or anything that impacts or alters the normal communication, or the files that are received, or information transmitted, to or from the DTCC Systems.” Disruption Rules, *supra* note 4, Section 1.

<sup>8</sup> Under the current Disruption Rules, Respective Participants for NSCC are Members and Limited Members; for DTC, Participants; for FICC–GSD and FICC–MBSD, Members. Under the proposed changes to the Disruption Rules, as referenced herein, Respective Participants for NSCC will be Members, Limited Members, and Sponsored Members; for DTC, Participants, Limited Participants, and Pledges; for FICC–GSD, Netting Members, CCIT Members, Comparison Only Members, and Funds-Only Settling Bank Members; and for FICC–MBSD, Members, Clearing Members, and Cash Settling Bank Members.

<sup>9</sup> Pursuant to this proposed rule change, Major Event would be deleted and replaced with “Major System Event,” to be defined as, “a Participant System Disruption that has or is reasonably anticipated to, for example, disrupt, degrade, cause a delay in, interrupt or otherwise alter the normal operation of DTCC Systems; result in unauthorized access to DTCC Systems; result in the loss of control

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> The Clearing Agencies are each a subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC operates on a shared service model with respect to the Clearing Agencies. Most corporate functions are established and managed on an enterprise-wide basis pursuant to intercompany agreements under which it is generally DTCC that provides relevant services to the Clearing Agencies.

<sup>4</sup> Each Disruption Rule is publicly available in the respective rules of the applicable Clearing Agency at <https://www.dtcc.com/legal/rules-and-procedures>.

## II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the clearing agency included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The clearing agency has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

### (A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

#### 1. Purpose

The purpose of the proposed rule change is to amend the Disruption Rules. Accordingly, each respective filing is written from the perspective of the Clearing Agencies, collectively, instead of DTC, FICC, or NSCC individually, but application of the proposed rule changes would only apply to the DTCC Systems Participant of the corresponding Clearing Agency or Clearing Agencies.

The current Disruption Rules contain provisions identifying the events or circumstances that would be considered a Major Event or Systems Disruption. During the pendency of a Major Event, the Disruption Rules authorize the Clearing Agencies to take certain actions, within a prescribed governance framework, to mitigate the effect of the Major Event on the Clearing Agencies, their Respective Participants, their Affiliates, and the industry more broadly.

The proposed rule changes would (i) update and add definitions used throughout the Disruption Rules; (ii) update the provisions and governance for declaring a Major Event (which would be redefined as a Major System Event); (iii) clarify and enhance the requirements of the DTCC Systems Participant to notify the Clearing Agencies of a Systems Disruption (which would be redefined as a Participant System Disruption); (iv) add provisions incorporating the reporting, testing, and approval requirements, process, legal obligations, and governance necessary for "reconnection" (as defined by this proposed rule change) of a DTCC Systems Participant that was "disconnected" from DTCC Systems pursuant to a Disruption Rule; and (v) make technical, ministerial, and other conforming and clarifying changes, including updating the name of the

Disruption Rules, each of which is described in greater detail below.

#### Background—Current Disruption Rules

The current Disruption Rules were implemented by the Clearing Agencies on October 8, 2021.<sup>14</sup> Pursuant to the Disruption Rules, the Clearing Agencies are entitled to take action to help mitigate risk when there is a reasonable basis for the Clearing Agencies to conclude that there is a Major Event, as determined by one of the persons listed in the rules and then ratified, modified, or rescinded within five Business Days by the Clearing Agencies' management committee on which such listed persons serve, and the Clearing Agencies' Board of Directors ("Board").<sup>15</sup>

During a Major Event, the Disruption Rules authorize the Clearing Agencies to (i) disconnect the subject DTCC Systems Participant from DTCC Systems; (ii) suspend the receipt and/or transmission of files or communications to/from the DTCC Systems Participant and DTCC Systems; or (iii) take, or refrain from taking, or require a DTCC Systems Participant to take, or refrain from taking, any actions the Clearing Agencies consider appropriate to prevent, address, correct, alleviate, or mitigate the event and facilitate the continuation of the Clearing Agencies' services as may be practicable.<sup>16</sup>

The Disruption Rules also require the DTCC Systems Participant to immediately notify the Clearing Agencies when they become aware of a Major Event, to cooperate with the Clearing Agencies in addressing the Major Event, and that the Clearing Agencies notify a DTCC Systems Participant of any action that the Clearing Agencies take, or intend to take, against the Respective Participant under the rule.<sup>17</sup>

Finally, the Disruption Rules provide certain indemnities, clarify powers available to the Clearing Agencies under the Disruption Rules, highlight confidentiality requirements, and include a conflicts provision.<sup>18</sup>

Based on the Clearing Agencies' experience applying the Disruption Rules, they are proposing a number of changes, as noted above and described in detail below, to make the rules more efficient, effective, and clear in their

governance, authorities, application, and requirements, so that the Clearing Agencies are better situated to address the events that require action under the rules to protect the Clearing Agencies, and their Respective Participants, Affiliates, and the industry more broadly. The proposed changes also would enable a DTCC Systems Participant to better understand and prepare for their obligations to the Clearing Agencies in the event that they experience a Participant System Disruption.

#### Proposed Rule Changes

First, the Clearing Agencies propose to rename Section 1 of the Disruption Rules from "Major Event" to "Definitions," which more accurately states its purpose, and then update and add definitions to the section. In addition to various technical, ministerial, and other conforming and clarifying changes to existing definitions, the Clearing Agencies propose the following changes:

- Update the existing definition of "DTCC Systems" to include systems, equipment and technology networks of all DTCC Affiliates and expand the types of systems connectivity to include hardware and applications such that, in the event of a Participant System Disruption, all of DTCC's potentially impacted connections, and any means of connectivity, are incorporated into such definition.

- Broaden the existing definition of "DTCC Systems Participant" to include a more specific list of Respective Participants and Affiliates thereof, as well as entities that are similar to third-party service providers or service bureaus, which are already covered by the rule, that directly or indirectly connect with DTCC Systems on behalf of or for the benefit of one of the Respective Participants. This proposed change is necessary to be more specific about the type of Respective Participants subject to the rule and because in the Clearing Agencies' experience, Affiliates and third parties may share systems that are directly or indirectly connected to DTCC Systems, such that if, for example, a Respective Participant is experiencing a Participant System Disruption, an Affiliate or third party may be experiencing the same. Therefore, it is important to include these additional entities to address the risk they present.

- Add the definition "Best Practices" to mean, the "policies, procedures, practices or similar standards and guidelines that are reasonably designed and consistent with then current financial-sector cybersecurity standards

<sup>14</sup> Securities Exchange Act Release Nos. 93278 (Oct. 8, 2021), 86 FR 57229 (Oct. 14, 2021) (SR-NSCC-2021-007); 93280 (Oct. 8, 2021), 86 FR 57208 (Oct. 14, 2021) (SR-FICC-2021-004); 93279 (Oct. 8, 2021), 86 FR 57221 (Oct. 14, 2021) (SR-DTC-2021-011).

<sup>15</sup> Disruption Rules, *supra* note 4, Section 2.

<sup>16</sup> *Id.* at Section 3.

<sup>17</sup> *Id.* at Section 4.

<sup>18</sup> *Id.* at Section 5.

issued by an authoritative body that is a U.S. governmental entity or agency, an association of a U.S. governmental entity or agency, or a widely recognized industry organization.” The purpose of adding this definition is to clearly state the standards that the Clearing Agencies would require a Third-Party Cybersecurity Firm (as defined below) to employ when such firm is engaged, as would be required by the Disruption Rules and discussed further below. Much of the language of this proposed definition comes directly from Section 1001(a)(4) of the Commission’s Regulation Systems Compliance and Integrity (“Reg SCI”).<sup>19</sup>

- Delete the existing definition “Major Event” and replace it with the definition “Major System Event” to mean, “a Participant System Disruption that has or is reasonably anticipated to, for example, disrupt, degrade, cause a delay in, interrupt or otherwise alter the normal operation of DTCC Systems; result in unauthorized access to DTCC Systems; result in the loss of control of, disclosure of, or loss of DTCC Confidential Information; or cause a strain on, loss of, or overall threat to the Corporation’s resources, functions, security or operations.” Although the new definition is similar to the prior definition, the new definition more appropriately ties the disruption at issue to the effect on the normal operation of DTCC Systems and less so on any subsequent effect to the Clearing Agencies’ operations.

- Add the definition “Third-Party Cybersecurity Firm” to mean, “a firm that, in [the Clearing Agencies’] reasonable judgement, (A) (i) is well-known and reputable; (ii) is not affiliated with DTCC, [the Clearing Agencies], an Affiliate of DTCC or [the Clearing Agencies], a DTCC Systems Participant, or an Affiliate of a DTCC Systems Participant; (iii) specializes in financial-sector cybersecurity; and (iv) employs Best Practices; or (B) is otherwise determined to be a Third-Party Cybersecurity Firm by [the Clearing Agencies].” The purpose of adding this definition is to clearly state the type of firm that the Clearing Agencies would require the subject DTCC Systems Participant to engage under the Disruption Rules, as discussed further below.

- Delete the existing definition “Systems Disruption” and replace it with the definition “Participant System Disruption” to mean, “the actual or reasonably anticipated unauthorized access to, or unavailability, failure, malfunction, overload, corruption, or

restriction (whether partial or total) of one or more systems of a DTCC Systems Participant.” Although similar to the existing definition, the new definition focuses more appropriately on what has actually happened, or is reasonably anticipated to happen, to the DTCC Systems Participant system, and less on subsequent operation of the system. For example, it is possible that a DTCC Systems Participant system is corrupted or compromised, but that corruption or compromise has not affected the normal operation of the system at that time.

Second, the Clearing Agencies propose to move current Section 4 of the Disruption Rules up to create a new Section 2, which would be renamed “Notifications of a Participant System Disruption.” This move would better align the structure of the Disruption Rules with the expected sequence of events of a Participant System Disruption.

The new Section 2 would delete the notification language of current Section 4 and replace it with enhanced notification requirements applicable to any DTCC Systems Participant, not only Respective Participants of the Clearing Agencies. More specifically, the Clearing Agencies propose that the subject DTCC Systems Participant, as defined in the proposed rule and above, provide the Clearing Agencies with immediate written notice, to include certain DTCC Systems Participant and Participant System Disruption information, if known, but in any event within two hours of experiencing or having actual knowledge, and legal permission to disclose such knowledge, of an unaffiliated DTCC Systems Participant that is experiencing a Participant System Disruption or is otherwise affected or potentially affected by the Participant System Disruption. The information required to be provided in the notice, if known, includes (i) the legal entity names of the subject DTCC Systems Participant experiencing or otherwise affected or potentially affected by the Participant System Disruption; (ii) contact information of key, applicable DTCC Systems Participant personnel and agents; and (iii) key details about the Participant System Disruption, such as event type, event effect, start date, end date (if applicable), discovery date, scope, and any other notices given, which would provide additional context regarding the Participant System Disruption.

The purpose of these proposed changes in the new Section 2 is to (i) enable a DTCC Systems Participant to better understand and prepare for their obligations to the Clearing Agencies in

the event that they experience a Participant System Disruption; and (ii) facilitate the Clearing Agencies’ timely receipt of key information that could enable a more efficient and effective review and response by the Clearing Agencies to a Participant System Disruption, all in an effort to help mitigate the risk presented by a Participant System Disruption.

Third, the Clearing Agencies propose to redesignate current Section 2 of the Disruption Rules as Section 3 and rename the section from “Powers of [the Clearing Agencies]” to “Declaration of a Major System Event,” which would more accurately describe the purpose of the section. In addition to various technical, ministerial, and other conforming and clarifying changes to the new Section 3, the Clearing Agencies propose to no longer (i) provide a list of specific persons that may determine that the Clearing Agencies have a reasonable basis to conclude that there is a Major System Event, nor (ii) require, within five Business Days, that such determination be reviewed by a management committee on which all of such listed people serve, and the Board. Instead, the Clearing Agencies propose that such determination be made by two or more members of the Clearing Agencies’ “senior most management committee,”<sup>20</sup> in their reasonable judgement, and then, after such determination is made, the Board, any remaining members of that senior management committee, and the Commission be promptly notified<sup>21</sup> of such determination.

In addition, the Clearing Agencies propose to provide the Board an update on the status of the Major System Event and any action taken pursuant to the Disruption Rules on the earlier of 45 calendar days from the date of declaration of the Major System Event or the next scheduled Board meeting, or more frequently following material changes to the status of a Major System Event.

The purpose of these changes is multifaceted. One, it shifts the authority

<sup>20</sup> The current “senior most management committee” of the Clearing Agencies is the Executive Committee, which includes each of the six persons listed in the existing Disruption Rules that can determine the existence of a Major Event (*i.e.*, the Chief Executive Officer, the Chief Financial Officer, the Group Chief Risk Officer, the Chief Information Officer, the Head of Clearing Agency Services, and the General Counsel), plus the Chief Client Officer, Global Head of DTCC Digital Assets, Head of Enterprise Services, and the Chief Human Resources Officer.

<sup>21</sup> “Prompt notification” means the notification is to be made without undue or unreasonable delay, as is consistent with the use of “prompt” in Reg SCI.

<sup>19</sup> 17 CFR 242.1001(a)(4).

to make such a determination from only one of the Clearing Agencies' most senior officers to two of the Clearing Agencies' most senior officers. Two, the proposed changes eliminate two subsequent reviews, after the determination is already made, that are administratively burdensome and may complicate managing the event in terms of ratifying, modifying, or rescinding the disconnection of a DTCC Systems Participant that has already happened. Instead, the proposed changes would set clear communication standards and provide more timely transparency to the remaining senior most management committee members, the Board, and the Commission, which could still act in response to the notice without the need for formal meetings pursuant to the Disruption Rules.

Fourth, the Clearing Agencies propose to redesignate current Section 3 of the Disruption Rules as Section 4, "Authority to Take Action and Required Cooperation," and make other various technical, ministerial, conforming, and clarifying changes to the section. Additionally, the Clearing Agencies propose to clarify and broaden, in what would be Subsections 4(a)(i) and (ii), the systems of the subject DTCC Systems Participant that can be disconnected and the transmissions, communications, or access that can be suspended. The purpose of these changes is to help ensure that the Clearing Agencies can adequately address all potential connectivity and communication types for each DTCC Systems Participant in an effort to help mitigate the risk presented by the Participant System Disruption and associated Major System Event.

New Subsection 4(a)(iii) would continue to provide from current Subsection 3(c) of the Disruption Rules<sup>22</sup> the authority for the Clearing Agencies to (A) act or not act, or require the subject DTCC Systems Participant to act or not act, as the Clearing Agencies consider appropriate to help mitigate the risk of the Major System Event, as well as (B) facilitate the continuation of services of the subject DTCC Systems Participant, as appropriate and practical, which may require issuing instructions to the DTCC Systems Participant and, as proposed, requiring such instructions to be followed. The Clearing Agencies believe adding the requirement that their instructions be followed is important not only to help facilitate the continuation of services for the subject DTCC Systems Participant but also for any downstream effects that

may have or could have resulted from the disruption.

For new Subsection 4(b), the Clearing Agencies propose to reinstate language from current Subsection 4(b), which, as described above, would be deleted as part of the proposed move of all of current Section 4 up to new Section 2. Specifically, the Clearing Agencies propose to reinstate similar language that states they will promptly notify the subject DTCC Systems Participant of any disconnection, suspension, or other material action the Clearing Agencies take with respect to such DTCC Systems Participant pursuant to the authority provided in new Section 4. Additionally, the Clearing Agencies propose to add new language to clarify that notwithstanding any action the Clearing Agencies take pursuant to new Section 4, the subject DTCC Systems Participant must continue to meet its obligations to the Clearing Agencies and comply with their rules, as applicable.

The Clearing Agencies also propose to add a new Subsection (c) to new Section 4. Proposed Subsection 4(c) would expand upon the cooperation requirement in current Section 4(a) of the Disruption Rules to require the DTCC Systems Participant to cooperate "fully and completely" with the Clearing Agencies, to the Clearing Agencies' reasonable satisfaction, regarding the Participant System Disruption in whole, instead of limiting such cooperation to the root cause and resolution. Such cooperation would include, for example, (i) conducting timely investigations and inquiries relating to the Participant System Disruption; (ii) promptly notifying the Clearing Agencies of any material changes, updates, or new information learned regarding the Participant System Disruption; and (iii) to the extent legally permitted, promptly providing any documentation or information requested by the Clearing Agencies regarding the Participant System Disruption.

Fifth, the Clearing Agencies propose to insert a new Section 5 to the Disruption Rules titled "Reconnection Requirements." This new Section 5 would set forth the information that the subject DTCC Systems Participant would be required to provide to the Clearing Agencies, in form and substance that is reasonably satisfactory to the Clearing Agencies,<sup>23</sup> prior to the

Clearing Agencies "reconnecting" a disconnected DTCC Systems Participant. Specifically, the Clearing Agencies propose that they receive three things: (i) a detailed, comprehensive, and auditable report, from a Third-Party Cybersecurity Firm; (ii) an attestation from a Participant Officer of the DTCC Systems Participant;<sup>24</sup> and (iii) an executed indemnity from the DTCC Systems Participant to the reasonable satisfaction and judgement of the Clearing Agencies in consideration of the facts and circumstances.

As stated in proposed Subsection 5(a)(i), the Clearing Agencies would require the report by the Third-Party Cybersecurity Firm to include the following information:

- a timeline of the Participant System Disruption, including all material actions, events, and decisions taken for or relating to the Participant System Disruption;
- a description of the Participant System Disruption and how it was corrected and resolved;
- root cause analysis of the Participant System Disruption;
- confirmation that any severe, critical, or moderate items, or comparable categorizations, identified by the Third-Party Cybersecurity Firm have been resolved;
- confirmation of the normal or intended operation of the subject DTCC Systems Participant's systems, including, but not limited to, the return or replacement of key systems and datastores to pre-Participant System Disruption resilience, in a safe, secure, and proper manner for at least 72 hours;
- a description of any short- and long-term preventive monitoring and detection recommendations by the Third-Party Cybersecurity Firm; and
- any other information reasonably requested to be included by the Clearing Agencies.

As stated in proposed Subsection 5(a)(ii), the Clearing Agencies would require the Participant Officer to attest to the following:

- the Third-Party Cybersecurity Firm's report is, to the best of the Participant Officer's knowledge, accurate and complete;
- all short-term preventive monitoring and detection controls recommended by the Third-Party Cybersecurity Firm have been implemented;

questions or concerns, etc., all within the context of reasonableness.

<sup>24</sup> Pursuant to this proposed rule change, "Participant Officer" would be defined as a member of the board of directors, a senior executive officer, or other member of senior management of the subject DTCC Systems Participant.

<sup>23</sup> Whether the information provided is "reasonably satisfactory" would be a determination by the applicable Clearing Agency in consideration of the facts and circumstances, such as the severity of the disruption, thoroughness of and confidence in the information provided, any outstanding

<sup>22</sup> Disruption Rules, *supra* note 4, Section 3.

- all medium- and long-term preventive monitoring and detection controls recommended by the Third-Party Cybersecurity Firm will be promptly implemented;
- the Participant Officer recommends Reconnection to DTCC Systems; and
- the DTCC Systems Participant will continue to oversee remediation efforts and monitor the systems of the DTCC Systems Participant, and immediately, but in any event within two hours, notify the Clearing Agencies if there is any indication of the continuation of a Participant System Disruption or an existence of a new Participant System Disruption.

Lastly, Subsection 5(b) would require the subject DTCC Systems Participant to promptly provide, upon the applicable Clearing Agency's request, any other documentation or information and/or require the subject DTCC Systems Participant to take other actions to the Clearing Agency's reasonable satisfaction, including obtaining a second Third-Party Cybersecurity Firm onsite validation of the subject DTCC Systems Participant, all of which would be decided by the Clearing Agency in consideration of the facts and circumstances.

The purpose of these proposed changes is to (i) provide each DTCC Systems Participant with notice of what information they would need to provide to the Clearing Agencies in order to be Reconnected under the Disruption Rules; (ii) ensure that the Clearing Agencies have all the necessary information regarding the Participant System Disruption and its remediation from an independent, reputable, and knowledgeable third party, so that the Clearing Agencies can make an informed decision about whether Reconnection is appropriate; (iii) confirm that an appropriate senior officer at the subject DTCC Systems Participant is sufficiently informed and responsible for the DTCC Systems Participant's systems and the information being provided to the Clearing Agencies; and (iv) ensure that the Clearing Agencies are properly indemnified for actions or inactions, as needed, all to help mitigate the risk presented by a Reconnection.

Sixth, the Clearing Agencies propose to insert a new Section 6 titled "Reconnection Testing and Approval." New Section 6 would do two things. First, Subsection 6(a) would require, prior to approval of the Reconnection, that the subject DTCC Systems Participant demonstrate, as applicable, to the Clearing Agencies' reasonable satisfaction, that it:

- can operate in a test environment, including, but not limited to, sending and receiving messages and transactions;
- can replay or resubmit previously submitted messages or transactions;
- can reverse or void previously submitted messages or transactions;
- can confirm the integrity of messages and transactions;
- has alternative communication methods with the Clearing Agency to facilitate the exchange of messages, transactions, and reports; and
- can complete any other such requirements as are reasonably requested by the Clearing Agencies.

Subsection 6(b) would authorize two or more members of the Clearing Agencies' senior most management committee, in their reasonable judgement, to approve the Reconnection of a DTCC Systems Participant that was the subject of action taken pursuant to the Disruption Rules, after the Clearing Agencies have received and reviewed to their satisfaction all information believed necessary for a safe Reconnection and certain testing has occurred, pursuant to Subsection 6(a).

Similar to the governance process for determining a Major System Event, the Clearing Agencies believe it appropriate that approval of a Reconnection be made by at least two of the Clearing Agencies' most senior officers to help ensure that information regarding the Reconnection has been escalated to the highest management level. But, it is essential that such approval not be made until the Clearing Agencies have (i) received, to their satisfaction, all necessary Participant System Disruption information and (ii) confirmed that the subject DTCC Systems Participant can safely perform the capabilities necessary for submitting, receiving, and correcting information appropriately, confidently, and in a manner unaffected by the Participant System Disruption, so as to help mitigate the risk presented by the Reconnection.

Seventh, the Clearing Agencies propose to redesignate current Section 5 of the Disruption Rules as Section 7, which would continue to address "Certain Miscellaneous Matters." In addition to various technical, ministerial, and other conforming and clarifying changes to newly designated Section 7, the Clearing Agencies propose to remove the existing "conflicts" provision and replace it with a "failure to comply" provision. The new "failure to comply" provision would authorize the Clearing Agencies to (i) subject a DTCC Systems Participant that is a Respective Participant to any and all disciplinary

action permitted under the rules of the Clearing Agencies, if such Respective Participant fails to comply with the Disruption Rules; (ii) subject a DTCC Systems Participant that is not a Respective Participant to any and all actions, obligations, or rights permitted under any agreement made between the entity and the Clearing Agencies, if such entity fails to comply with the Disruption Rules; and (iii) require a DTCC Systems Participant that has authorized another party to access and use DTCC Systems to assume responsibility for such authorized party's compliance or compliance failure. The purpose of these changes is to emphasize the importance in complying with the Disruption Rules and highlight the actions that the Clearing Agencies may take if there is a failure to comply, as applicable to the subject party.

Finally, the Clearing Agencies propose to rename the Disruption Rules from "Systems Disconnect: Threat of Significant Impact to [the Clearing Agencies'] Systems" to "Participant System Disruption," which the Clearing Agencies believe is a more appropriate description of the rule, particularly in consideration of the proposed changes.

## 2. Statutory Basis

The Clearing Agencies believe that the proposal is consistent with the requirements of the Act and the rules and regulations thereunder applicable to each of the Clearing Agencies. In particular, the Clearing Agencies believe that the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act,<sup>25</sup> and Rules 17ad-22(e)(2) and (e)(17) promulgated under the Act,<sup>26</sup> as described below.

### Consistency With Section 17A(b)(3)(F)

Section 17A(b)(3)(F) of the Act<sup>27</sup> requires, in part, that the rules of the Clearing Agencies be designed to promote the prompt and accurate clearance and settlement of securities transactions, and to assure the safeguarding of securities and funds which are in the custody or control of the Clearing Agencies or for which they are responsible.

As described above, the proposed rule change would (i) update and add definitions used throughout the Disruption Rules; (ii) update the provisions and governance for declaring a Major System Event; (iii) clarify and enhance the requirements of a DTCC Systems Participant to notify the

<sup>25</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>26</sup> 17 CFR 240.17ad-22(e)(2) and (e)(17).

<sup>27</sup> 15 U.S.C. 78q-1(b)(3)(F).

Clearing Agencies of a Participant System Disruption; (iv) add provisions incorporating the reporting, testing and approval requirements, process, and governance necessary to Reconnect a DTCC Systems Participant that was the subject of action pursuant to the Disruption Rules; and (v) make technical, ministerial, and other conforming and clarifying changes, including updating the name of the Disruption Rules.

The Clearing Agencies believe that these proposed changes would enhance, clarify, streamline, and improve the Clearing Agencies' ability to identify a Participant System Disruption, take action because of such disruption, and then appropriately and safely Reconnect a subject DTCC Systems Participant under the Disruption Rules. The Clearing Agencies also believe that the level of detail and clarity provided by the proposed changes provides greater transparency and notice to all parties that would be subject to the Disruption Rules. Ultimately, these proposed changes help mitigate risk and better protect the Clearing Agencies, their Respective Participants, each DTCC Systems Participant, and the industry more broadly from a Participant System Disruption and associated Major System Event, by providing advance transparency to the DTCC Systems Participant of their obligations in the event of a Participant System Disruption and more detailed and timely notification of such disruption to the Clearing Agencies, which would afford the Clearing Agencies more time and information to help manage risks presented. By helping to mitigate risk and better protect those parties, the Clearing Agencies would be better situated to successfully manage a Participant System Disruption, which, in turn, helps promote the prompt and accurate clearance and settlement of securities transactions and enables the Clearing Agencies to better safeguard securities and funds that are in their custody or control, consistent with Section 17A(b)(3)(F) of the Act.<sup>28</sup>

Consistency With Rule 17ad-22(e)(2)(i) and (v)

Rule 17ad-22(e)(2) promulgated under the Act<sup>29</sup> requires, in part, that the Clearing Agencies establish, implement, maintain and enforce written policies and procedures reasonably designed to provide for governance arrangements that, among other things, (i) are clear and transparent (*i.e.*, Subsection (e)(2)(i) of

Rule 17ad-22) and (ii) specify clear and direct lines of responsibility (*i.e.*, Subsection (e)(2)(v) of Rule 17ad-22).

As described above, the Clearing Agencies propose to no longer (a) provide a list of specific persons that may determine the Clearing Agencies have a reasonable basis to conclude that there is a Major System Event, nor (b) require, within five Business Days, that such determination be reviewed by a management committee on which all such listed people serve, and the Board. Instead, the Clearing Agencies propose that such determination be made by two or more members of the Clearing Agencies' senior most management committee and then, after such determination is made, that the Board, any remaining members of that senior management committee, and the Commission be promptly notified of such determination.

The Clearing Agencies believe that these proposed changes to identify the subset of senior officers that would have the authority to declare a Major System Event, while also providing for prompt notice to the remaining members of the senior most management committee, the Board, and the Commission would make such governance procedures more clear and transparent, while specifying clear and direct lines of responsibility with respect to such determination, consistent with Rule 17ad-22(e)(2)(i) and (v) promulgated under the Act.<sup>30</sup>

Consistency With Rule 17ad-22(e)(17)(i)

Rule 17ad-22(e)(17)(i) promulgated under the Act<sup>31</sup> requires that the Clearing Agencies establish, implement, maintain, and enforce written policies and procedures reasonably designed to manage operational risks by identifying plausible sources of operational risk, both internal and external, and mitigating their impact through the use of appropriate systems, policies, procedures, and controls.

As described above, the Clearing Agencies propose to (a) expand the definition of DTCC Systems Participant to specifically name the applicable Respective Participant types, and include Affiliates of such Respective Participants and entities similar to third-party service providers and service bureaus; (b) clarify and enhance the requirements of each DTCC Systems Participant to notify the Clearing Agencies of a Participant System Disruption; and (c) add provisions incorporating the reporting, testing and approval requirements, process, and governance necessary to Reconnect a

DTCC Systems Participant that was the subject of action taken pursuant to the Disruption Rules.

By more explicitly naming and expanding the parties that are subject to the Disruption Rules, and also clarifying and enhancing who has to report information to the Clearing Agencies in the event of a Participant System Disruption, when the disruption has to be reported, and what disruption details have to be reported, the Clearing Agencies would be improving their ability to identify and collect information about disruptions experienced by the entities connected to DTCC Systems, which, in turn, would enable the Clearing Agencies to react more quickly and effectively to the disruption, in protection of their systems, as well as the systems of other entities connected to the Clearing Agencies. Then, by adding the proposed Reconnection and associated testing requirements and governance prior to Reconnection of the DTCC Systems Participant, the Clearing Agencies would be better assured the operational disruption had been sufficiently mitigated such that it no longer presents a risk to the Clearing Agencies or their Respective Participants.

For these reasons, the Clearing Agencies believe these proposed changes would better position the Clearing Agencies to identify and address operational risk presented by a Participant System Disruption, consistent with the requirements of Rule 17ad-22(e)(17)(i) promulgated under the Act.<sup>32</sup>

#### *(B) Clearing Agency's Statement on Burden on Competition*

The Clearing Agencies believe that three of the proposed changes could have an impact on competition: (i) expanding the definition of DTCC Systems Participant to include Affiliates of the Respective Participants, and entities similar to third-party service providers and service bureaus; (ii) establishing the Reconnection requirements in new Section 5; and (iii) establishing the testing requirements, prior to Reconnection, in new Section 6, as described above. The Clearing Agencies believe the impact of these proposed changes could impose a burden on competition but that such burden is necessary and appropriate in furtherance of the purposes of the Act, as explained below.

The Clearing Agencies believe that expanding the definition of DTCC Systems Participant could impose a burden on competition on such entities

<sup>28</sup> *Id.*

<sup>29</sup> 17 CFR 240.17ad-22(e)(2).

<sup>30</sup> 17 CFR 240.17ad-22(e)(2)(i) and (v).

<sup>31</sup> 17 CFR 240.17ad-22(e)(17)(i).

<sup>32</sup> *Id.*

because they would now be explicitly subject to the requirements of the Disruption Rules, including being the subject of a disconnection and all subsequent Reconnection requirements. The Clearing Agencies acknowledge and appreciate that being disconnected from DTCC Systems could place a disconnected entity at a competitive disadvantage, as the disconnection could effectively halt the entity's post-trade processing or other related activity transacted through the Clearing Agencies. However, the Clearing Agencies do not believe such expansion would create a significant burden because, in the Clearing Agencies' experience, such entities are already indirectly subject to the requirements of the Disruption Rules because of the often close relationship and interconnectivity between such entities and the Respective Participants. In other words, if one or more of the Respective Participants is disconnected from DTCC Systems under the current Disruption Rules, it is very likely that the entities associated with the disconnected Respective Participant, particularly Affiliates, also will be disconnected. Therefore, although not explicitly named in the current Disruption Rules, such entities are already indirectly subject to the rule through the Respective Participant. Additionally, as would continue to be provided for in the Disruption Rules, under new Subsection 4(a)(iii), the Clearing Agencies would endeavor to facilitate the continuation of their services, in some manner, for a DTCC Systems Participant that was the subject of action under the Disruption Rules, as appropriate and practical.

The Clearing Agencies believe establishing the Reconnection requirements in newly proposed Section 5 and, similarly, establishing the testing requirements prior to Reconnection in newly proposed Section 6, each of which are described above, could each impose a burden on competition on a subject DTCC Systems Participant because the changes create steps that the subject DTCC Systems Participant would need to take in order to be Reconnected to DTCC Systems. The Clearing Agencies appreciate that these additional steps could mean the DTCC Systems Participant remains "disconnected" from DTCC Systems longer than it believes necessary or longer than it may otherwise be disconnected but for these additional steps, which could be a competitive burden for that DTCC Systems Participant. However, the Clearing Agencies do not believe the burden on

competition from the proposed Reconnection and testing requirements is significant because, in the Clearing Agencies' experience, these additional steps are standard practice to ensure that Reconnections are appropriate and safe. In other words, although not explicitly required under the current Disruption Rules, a disconnected DTCC Systems Participant would likely need to complete the proposed Reconnection and testing requirements. Additionally, as noted in the preceding paragraph, under new Subsection 4(a)(iii) of the Disruption Rules, the Clearing Agencies would have endeavored to facilitate the continuation of services of a disconnected DTCC Systems Participant in some manner, as appropriate and practical, prior to Reconnection.

Regardless of the significance of the burden, the Clearing Agencies strongly believe that the burden on competition from explicitly including Affiliates of the Respective Participants, and entities similar to third parties in the Disruption Rules, and the addition of the proposed Reconnection and testing requirements is necessary and appropriate in furtherance of the purposes of the Act, as permitted by Section 17A(b)(3)(I) of the Act.<sup>33</sup> Specifically, the Clearing Agencies believe these changes are necessary and appropriate in furtherance of Section 17A(b)(3)(F) of the Act<sup>34</sup> and Rule 17ad-22(e)(17) promulgated under the Act,<sup>35</sup> as each are described above.

These changes are necessary because, by covering Affiliates and additional third parties and requiring Reconnection and testing requirements, the Clearing Agencies would be helping to ensure that the breadth of the Disruption Rules is broad enough to address all likely subject parties of a Participant System Disruption, and that the Clearing Agencies receive adequate information, which includes adequate testing of the subject DTCC Systems Participant, to determine that Reconnection is safe. Similarly, these changes are appropriate because, from the Clearing Agencies' experience, they are consistent with actual practice in the event of a Participant System Disruption. Therefore, ensuring that the right parties are covered and that the Clearing Agencies have adequate information would help promote the prompt and accurate clearance and settlement of securities transactions, and assure the safeguarding of securities and funds which are in the custody or control of the Clearing Agencies,

consistent with Section 17A(b)(3)(F) of the Act,<sup>36</sup> and would help mitigate the impact of the operational risk presented by a Participant System Disruption, consistent with Rule 17ad-22(e)(17) promulgated under the Act.<sup>37</sup>

The Clearing Agencies do not believe any of the other proposed changes would have an impact on competition because the remaining changes are various technical, ministerial, conforming, or clarifying changes, or are related to the Clearing Agencies' governance practices for the Disruption Rules, which would not impact a DTCC Systems Participant's competitive position.

*(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Clearing Agencies have not received or solicited any written comments relating to this proposed rule change. If any written comments are received, the Clearing Agencies will amend their respective filings to publicly file such comments as an Exhibit 2 to this filing, as required by Form 19b-4 and the General Instructions thereto.

Persons submitting written comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b-4, the Commission does not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission's instructions on How to Submit Comments, available at <https://www.sec.gov/regulatory-actions/how-to-submit-comments>. General questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the Commission's Division of Trading and Markets at [tradingandmarkets@sec.gov](mailto:tradingandmarkets@sec.gov) or 202-551-5777.

The Clearing Agencies reserve the right to not respond to any comments received.

**III. Date of Effectiveness of the Proposed Rule Change, and Timing for Commission Action**

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period

<sup>33</sup> 15 U.S.C. 78q-1(b)(3)(I).

<sup>34</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>35</sup> 17 CFR 240.17ad-22(e)(17).

<sup>36</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>37</sup> 17 CFR 240.17ad-22(e)(17).

up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) by order approve or disapprove such proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

##### *Electronic Comments*

- Use the Commission's internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-DTC-2025-003 on the subject line.

##### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.
- All submissions should refer to file number SR-DTC-2025-003. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549 on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of DTC and on DTCC's website (<https://dtcc.com/legal/sec-rule-filings.aspx>). Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may

redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-DTC-2025-003 and should be submitted on or before April 17, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>38</sup>

**J. Matthew DeLesDernier,**

*Deputy Secretary.*

[FR Doc. 2025-05207 Filed 3-26-25; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-102711; File No. SR-NSCC-2025-003]

### Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing of Proposed Rule Change Relating to a Participant System Disruption

March 21, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on March 14, 2025, National Securities Clearing Corporation ("NSCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the clearing agency. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of amendments to Rule 60A (Systems Disconnect: Threat of Significant Impact to the Corporation's Systems) of the NSCC Rules & Procedures. NSCC's two affiliate clearing agencies, Fixed Income Clearing Corporation ("FICC") and The Depository Trust Company ("DTC," and together with NSCC and FICC, the "Clearing Agencies," or "Clearing Agency" when referring to one of any of the three Clearing Agencies)<sup>3</sup> will each

file with the Commission substantively similar proposals to amend their corresponding rules: Rule 50A of the FICC Government Securities Division ("FICC-GSD") Rulebook, Rule 40A of the FICC Mortgage-Backed Securities Division ("FICC-MBSD") Clearing Rules, and Rule 38(A) of the Rules, By-Laws and Organization Certificate of DTC (collectively with NSCC Rule 60A, the "Disruption Rules").<sup>4</sup> Accordingly, each respective filing is written from the perspective of the Clearing Agencies, collectively, instead of NSCC, FICC, and DTC individually, but application of the proposed rule changes would only apply to the DTCC Systems Participant (as defined below) of the corresponding Clearing Agency or Clearing Agencies.<sup>5</sup>

The current Disruption Rules contain provisions identifying the events or circumstances that would be considered a Major Event<sup>6</sup> or Systems Disruption.<sup>7</sup> During the pendency of a Major Event, the Disruption Rules authorize the Clearing Agencies to take certain actions, within a prescribed governance framework, to mitigate the effect of the Major Event on the Clearing Agencies, their respective members or participants as defined in the respective rules of the applicable Clearing Agency (hereinafter, "Respective Participants"),<sup>8</sup> their

<sup>4</sup> Each Disruption Rule is publicly available in the respective rules of the applicable Clearing Agency at <https://www.dtcc.com/legal/rules-and-procedures>.

<sup>5</sup> Capitalized terms not otherwise defined herein have the meaning as set forth in the respective rules of the Clearing Agencies, available at <https://www.dtcc.com/legal/rules-and-procedures>.

<sup>6</sup> "Major Event" is currently defined in the Disruption Rules as, "the happening of one or more System Disruption(s) that is reasonably likely to have a significant impact on the Corporation's operations, including the DTCC Systems, that affect the business, operations, safeguarding of securities or funds, or physical functions of the Corporation, [Respective Participants] and/or other market participants." Disruption Rules, *supra* note 4, Section 1.

<sup>7</sup> "Systems Disruption" is currently defined in the Disruption Rules as, "the unavailability, failure, malfunction, overload, or restriction (whether partial or total) of a DTCC Systems Participant's systems that disrupts or degrades the normal operation of such DTCC Systems Participant's systems; or anything that impacts or alters the normal communication, or the files that are received, or information transmitted, to or from the DTCC Systems." Disruption Rules, *supra* note 4, Section 1.

<sup>8</sup> Under the current Disruption Rules, Respective Participants for NSCC are Members and Limited Members; for DTC, Participants; for FICC-GSD and FICC-MBSD, Members. Under the proposed changes to the Disruption Rules, as referenced herein, Respective Participants for NSCC will be Members, Limited Members, and Sponsored Members; for DTC, Participants, Limited Participants, and Pledges; for FICC-GSD, Netting Members, CCIT Members, Comparison Only Members, and Funds-Only Settling Bank Members; and for FICC-MBSD, Members, Clearing Members, and Cash Settling Bank Members.

<sup>38</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> The Clearing Agencies are each a subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC operates on a shared service model with respect to the Clearing Agencies. Most corporate functions are established and managed on an enterprise-wide basis pursuant to intercompany agreements under which it is generally DTCC that provides relevant services to the Clearing Agencies.

Affiliates, and the industry more broadly.

The proposed rule changes would (i) update and add definitions used throughout the Disruption Rules; (ii) update the provisions and governance for declaring a Major Event (which would be redefined as a Major System Event<sup>9</sup>); (iii) clarify and enhance the requirements of the DTCC Systems Participant<sup>10</sup> to notify the Clearing Agencies of a Systems Disruption (which would be redefined as a Participant System Disruption<sup>11</sup>); (iv) add provisions incorporating the reporting, testing, and approval requirements, process, legal obligations, and governance necessary for “reconnection” (as defined by this proposed rule change)<sup>12</sup> of a DTCC Systems Participant that was “disconnected” from DTCC Systems<sup>13</sup>

<sup>9</sup> Pursuant to this proposed rule change, Major Event would be deleted and replaced with “Major System Event,” to be defined as, “a Participant System Disruption that has or is reasonably anticipated to, for example, disrupt, degrade, cause a delay in, interrupt or otherwise alter the normal operation of DTCC Systems; result in unauthorized access to DTCC Systems; result in the loss of control of, disclosure of, or loss of DTCC Confidential Information; or cause a strain on, loss of, or overall threat to the Corporation’s resources, functions, security or operations.”

<sup>10</sup> “DTCC Systems Participant” is currently defined in the Disruption Rules as, “a [Respective Participant], or third party service provider, or service bureau that is connecting with the DTCC Systems.” Disruption Rules, *supra* note 4, Section 1. Pursuant to this proposed rule change, DTCC Systems Participant would be redefined in the Disruption Rules as, “(A) any [Respective Participant], or an Affiliate of any [Respective Participant], that directly or indirectly connects with DTCC Systems; or (B) any third-party service provider, service bureau, or other similar entity that directly or indirectly connects with DTCC Systems on behalf of or for the benefit of any [Respective Participant], or an Affiliate of any [Respective Participant].”

<sup>11</sup> Pursuant to this proposed rule change, Systems Disruption would be deleted and replaced with “Participant System Disruption,” to be defined as, “the actual or reasonably anticipated unauthorized access to, or unavailability, failure, malfunction, overload, corruption, or restriction (whether partial or total) of one or more systems of a DTCC Systems Participant.”

<sup>12</sup> Pursuant to this proposed rule change, “Reconnection” would be defined as the reestablishment of connectivity between DTCC Systems and the DTCC Systems Participant that was the subject of action taken pursuant to a Disruption Rule.

<sup>13</sup> “DTCC Systems” is currently defined in the Disruption Rules as, “the systems, equipment and technology networks of DTCC, the Corporation and/or their Affiliates, whether owned, leased, or licensed, software, devices, IP addresses, or other addresses or accounts used in connection with providing the services set forth in the Rules, or used to transact business or to manage the connection with the Corporation.” Disruption Rules, *supra* note 4, Section 1. Pursuant to this proposed rule change, the definition would be updated to mean “the systems, equipment and technology networks of DTCC, the Corporation and/or any Affiliates of DTCC or the Corporation, whether owned, leased,

pursuant to a Disruption Rule; and (v) make technical, ministerial, and other conforming and clarifying changes, including updating the name of the Disruption Rules.

## II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the clearing agency included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The clearing agency has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

### (A) Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

#### 1. Purpose

The purpose of the proposed rule change is to amend the Disruption Rules. Accordingly, each respective filing is written from the perspective of the Clearing Agencies, collectively, instead of DTC, FICC, or NSCC individually, but application of the proposed rule changes would only apply to the DTCC Systems Participant of the corresponding Clearing Agency or Clearing Agencies.

The current Disruption Rules contain provisions identifying the events or circumstances that would be considered a Major Event or Systems Disruption. During the pendency of a Major Event, the Disruption Rules authorize the Clearing Agencies to take certain actions, within a prescribed governance framework, to mitigate the effect of the Major Event on the Clearing Agencies, their Respective Participants, their Affiliates, and the industry more broadly.

The proposed rule changes would (i) update and add definitions used throughout the Disruption Rules; (ii) update the provisions and governance for declaring a Major Event (which would be redefined as a Major System Event); (iii) clarify and enhance the requirements of the DTCC Systems Participant to notify the Clearing Agencies of a Systems Disruption

or licensed, and including software, hardware, applications, devices, IP addresses, or other addresses or accounts used in connection with such systems, equipment and technology networks, to provide the services set forth in these [Rules & Procedures/Rules and the Procedures/Rules], or otherwise used to transact business or connect with DTCC, the Corporation, or any Affiliates of DTCC or the Corporation.”

(which would be redefined as a Participant System Disruption); (iv) add provisions incorporating the reporting, testing, and approval requirements, process, legal obligations, and governance necessary for “reconnection” (as defined by this proposed rule change) of a DTCC Systems Participant that was “disconnected” from DTCC Systems pursuant to a Disruption Rule; and (v) make technical, ministerial, and other conforming and clarifying changes, including updating the name of the Disruption Rules, each of which is described in greater detail below.

#### Background—Current Disruption Rules

The current Disruption Rules were implemented by the Clearing Agencies on October 8, 2021.<sup>14</sup> Pursuant to the Disruption Rules, the Clearing Agencies are entitled to take action to help mitigate risk when there is a reasonable basis for the Clearing Agencies to conclude that there is a Major Event, as determined by one of the persons listed in the rules and then ratified, modified, or rescinded within five Business Days by the Clearing Agencies’ management committee on which such listed persons serve, and the Clearing Agencies’ Board of Directors (“Board”).<sup>15</sup>

During a Major Event, the Disruption Rules authorize the Clearing Agencies to (i) disconnect the subject DTCC Systems Participant from DTCC Systems; (ii) suspend the receipt and/or transmission of files or communications to/from the DTCC Systems Participant and DTCC Systems; or (iii) take, or refrain from taking, or require a DTCC Systems Participant to take, or refrain from taking, any actions the Clearing Agencies consider appropriate to prevent, address, correct, alleviate, or mitigate the event and facilitate the continuation of the Clearing Agencies’ services as may be practicable.<sup>16</sup>

The Disruption Rules also require the DTCC Systems Participant to immediately notify the Clearing Agencies when they become aware of a Major Event, to cooperate with the Clearing Agencies in addressing the Major Event, and that the Clearing Agencies notify a DTCC Systems Participant of any action that the Clearing Agencies take, or intend to

<sup>14</sup> Securities Exchange Act Release Nos. 93278 (Oct. 8, 2021), 86 FR 57229 (Oct. 14, 2021) (SR–NSCC–2021–007); 93280 (Oct. 8, 2021), 86 FR 57208 (Oct. 14, 2021) (SR–FICC–2021–004); 93279 (Oct. 8, 2021), 86 FR 57221 (Oct. 14, 2021) (SR–DTC–2021–011).

<sup>15</sup> Disruption Rules, *supra* note 4, Section 2.

<sup>16</sup> *Id.* at Section 3.

take, against the Respective Participant under the rule.<sup>17</sup>

Finally, the Disruption Rules provide certain indemnities, clarify powers available to the Clearing Agencies under the Disruption Rules, highlight confidentiality requirements, and include a conflicts provision.<sup>18</sup>

Based on the Clearing Agencies' experience applying the Disruption Rules, they are proposing a number of changes, as noted above and described in detail below, to make the rules more efficient, effective, and clear in their governance, authorities, application, and requirements, so that the Clearing Agencies are better situated to address the events that require action under the rules to protect the Clearing Agencies, and their Respective Participants, Affiliates, and the industry more broadly. The proposed changes also would enable a DTCC Systems Participant to better understand and prepare for their obligations to the Clearing Agencies in the event that they experience a Participant System Disruption.

#### Proposed Rule Changes

First, the Clearing Agencies propose to rename Section 1 of the Disruption Rules from "Major Event" to "Definitions," which more accurately states its purpose, and then update and add definitions to the section. In addition to various technical, ministerial, and other conforming and clarifying changes to existing definitions, the Clearing Agencies propose the following changes:

- Update the existing definition of "DTCC Systems" to include systems, equipment and technology networks of all DTCC Affiliates and expand the types of systems connectivity to include hardware and applications such that, in the event of a Participant System Disruption, all of DTCC's potentially impacted connections, and any means of connectivity, are incorporated into such definition.

- Broaden the existing definition of "DTCC Systems Participant" to include a more specific list of Respective Participants and Affiliates thereof, as well as entities that are similar to third-party service providers or service bureaus, which are already covered by the rule, that directly or indirectly connect with DTCC Systems on behalf of or for the benefit of one of the Respective Participants. This proposed change is necessary to be more specific about the type of Respective Participants subject to the rule and

because in the Clearing Agencies' experience, Affiliates and third parties may share systems that are directly or indirectly connected to DTCC Systems, such that if, for example, a Respective Participant is experiencing a Participant System Disruption, an Affiliate or third party may be experiencing the same. Therefore, it is important to include these additional entities to address the risk they present.

- Add the definition "Best Practices" to mean, the "policies, procedures, practices or similar standards and guidelines that are reasonably designed and consistent with then current financial-sector cybersecurity standards issued by an authoritative body that is a U.S. governmental entity or agency, an association of a U.S. governmental entity or agency, or a widely recognized industry organization." The purpose of adding this definition is to clearly state the standards that the Clearing Agencies would require a Third-Party Cybersecurity Firm (as defined below) to employ when such firm is engaged, as would be required by the Disruption Rules and discussed further below. Much of the language of this proposed definition comes directly from Section 1001(a)(4) of the Commission's Regulation Systems Compliance and Integrity ("Reg SCI").<sup>19</sup>

- Delete the existing definition "Major Event" and replace it with the definition "Major System Event" to mean, "a Participant System Disruption that has or is reasonably anticipated to, for example, disrupt, degrade, cause a delay in, interrupt or otherwise alter the normal operation of DTCC Systems; result in unauthorized access to DTCC Systems; result in the loss of control of, disclosure of, or loss of DTCC Confidential Information; or cause a strain on, loss of, or overall threat to the Corporation's resources, functions, security or operations." Although the new definition is similar to the prior definition, the new definition more appropriately ties the disruption at issue to the effect on the normal operation of DTCC Systems and less so on any subsequent effect to the Clearing Agencies' operations.

- Add the definition "Third-Party Cybersecurity Firm" to mean, "a firm that, in [the Clearing Agencies'] reasonable judgement, (A) (i) is well-known and reputable; (ii) is not affiliated with DTCC, [the Clearing Agencies], an Affiliate of DTCC or [the Clearing Agencies], a DTCC Systems Participant, or an Affiliate of a DTCC Systems Participant; (iii) specializes in financial-sector cybersecurity; and (iv)

employs Best Practices; or (B) is otherwise determined to be a Third-Party Cybersecurity Firm by [the Clearing Agencies]." The purpose of adding this definition is to clearly state the type of firm that the Clearing Agencies would require the subject DTCC Systems Participant to engage under the Disruption Rules, as discussed further below.

- Delete the existing definition "Systems Disruption" and replace it with the definition "Participant System Disruption" to mean, "the actual or reasonably anticipated unauthorized access to, or unavailability, failure, malfunction, overload, corruption, or restriction (whether partial or total) of one or more systems of a DTCC Systems Participant." Although similar to the existing definition, the new definition focuses more appropriately on what has actually happened, or is reasonably anticipated to happen, to the DTCC Systems Participant system, and less on subsequent operation of the system. For example, it is possible that a DTCC Systems Participant system is corrupted or compromised, but that corruption or compromise has not affected the normal operation of the system at that time.

Second, the Clearing Agencies propose to move current Section 4 of the Disruption Rules up to create a new Section 2, which would be renamed "Notifications of a Participant System Disruption." This move would better align the structure of the Disruption Rules with the expected sequence of events of a Participant System Disruption.

The new Section 2 would delete the notification language of current Section 4 and replace it with enhanced notification requirements applicable to any DTCC Systems Participant, not only Respective Participants of the Clearing Agencies. More specifically, the Clearing Agencies propose that the subject DTCC Systems Participant, as defined in the proposed rule and above, provide the Clearing Agencies with immediate written notice, to include certain DTCC Systems Participant and Participant System Disruption information, if known, but in any event within two hours of experiencing or having actual knowledge, and legal permission to disclose such knowledge, of an unaffiliated DTCC Systems Participant that is experiencing a Participant System Disruption or is otherwise affected or potentially affected by the Participant System Disruption. The information required to be provided in the notice, if known, includes (i) the legal entity names of the subject DTCC Systems Participant experiencing or otherwise affected or

<sup>17</sup> *Id.* at Section 4.

<sup>18</sup> *Id.* at Section 5.

<sup>19</sup> 17 CFR 242.1001(a)(4).

potentially affected by the Participant System Disruption; (ii) contact information of key, applicable DTCC Systems Participant personnel and agents; and (iii) key details about the Participant System Disruption, such as event type, event effect, start date, end date (if applicable), discovery date, scope, and any other notices given, which would provide additional context regarding the Participant System Disruption.

The purpose of these proposed changes in the new Section 2 is to (i) enable a DTCC Systems Participant to better understand and prepare for their obligations to the Clearing Agencies in the event that they experience a Participant System Disruption; and (ii) facilitate the Clearing Agencies' timely receipt of key information that could enable a more efficient and effective review and response by the Clearing Agencies to a Participant System Disruption, all in an effort to help mitigate the risk presented by a Participant System Disruption.

Third, the Clearing Agencies propose to redesignate current Section 2 of the Disruption Rules as Section 3 and rename the section from "Powers of [the Clearing Agencies]" to "Declaration of a Major System Event," which would more accurately describe the purpose of the section. In addition to various technical, ministerial, and other conforming and clarifying changes to the new Section 3, the Clearing Agencies propose to no longer (i) provide a list of specific persons that may determine that the Clearing Agencies have a reasonable basis to conclude that there is a Major System Event, nor (ii) require, within five Business Days, that such determination be reviewed by a management committee on which all of such listed people serve, and the Board. Instead, the Clearing Agencies propose that such determination be made by two or more members of the Clearing Agencies' "senior most management committee,"<sup>20</sup> in their reasonable judgement, and then, after such determination is made, the Board, any remaining members of that senior management committee, and the

Commission be promptly notified<sup>21</sup> of such determination.

In addition, the Clearing Agencies propose to provide the Board an update on the status of the Major System Event and any action taken pursuant to the Disruption Rules on the earlier of 45 calendar days from the date of declaration of the Major System Event or the next scheduled Board meeting, or more frequently following material changes to the status of a Major System Event.

The purpose of these changes is multifaceted. One, it shifts the authority to make such a determination from only one of the Clearing Agencies' most senior officers to two of the Clearing Agencies' most senior officers. Two, the proposed changes eliminate two subsequent reviews, after the determination is already made, that are administratively burdensome and may complicate managing the event in terms of ratifying, modifying, or rescinding the disconnection of a DTCC Systems Participant that has already happened. Instead, the proposed changes would set clear communication standards and provide more timely transparency to the remaining senior most management committee members, the Board, and the Commission, which could still act in response to the notice without the need for formal meetings pursuant to the Disruption Rules.

Fourth, the Clearing Agencies propose to redesignate current Section 3 of the Disruption Rules as Section 4, "Authority to Take Action and Required Cooperation," and make other various technical, ministerial, conforming, and clarifying changes to the section. Additionally, the Clearing Agencies propose to clarify and broaden, in what would be Subsections 4(a)(i) and (ii), the systems of the subject DTCC Systems Participant that can be disconnected and the transmissions, communications, or access that can be suspended. The purpose of these changes is to help ensure that the Clearing Agencies can adequately address all potential connectivity and communication types for each DTCC Systems Participant in an effort to help mitigate the risk presented by the Participant System Disruption and associated Major System Event.

New Subsection 4(a)(iii) would continue to provide from current Subsection 3(c) of the Disruption Rules<sup>22</sup> the authority for the Clearing Agencies to (A) act or not act, or require

the subject DTCC Systems Participant to act or not act, as the Clearing Agencies consider appropriate to help mitigate the risk of the Major System Event, as well as (B) facilitate the continuation of services of the subject DTCC Systems Participant, as appropriate and practical, which may require issuing instructions to the DTCC Systems Participant and, as proposed, requiring such instructions to be followed. The Clearing Agencies believe adding the requirement that their instructions be followed is important not only to help facilitate the continuation of services for the subject DTCC Systems Participant but also for any downstream effects that may have or could have resulted from the disruption.

For new Subsection 4(b), the Clearing Agencies propose to reinstate language from current Subsection 4(b), which, as described above, would be deleted as part of the proposed move of all of current Section 4 up to new Section 2. Specifically, the Clearing Agencies propose to reinstate similar language that states they will promptly notify the subject DTCC Systems Participant of any disconnection, suspension, or other material action the Clearing Agencies take with respect to such DTCC Systems Participant pursuant to the authority provided in new Section 4. Additionally, the Clearing Agencies propose to add new language to clarify that notwithstanding any action the Clearing Agencies take pursuant to new Section 4, the subject DTCC Systems Participant must continue to meet its obligations to the Clearing Agencies and comply with their rules, as applicable.

The Clearing Agencies also propose to add a new Subsection (c) to new Section 4. Proposed Subsection 4(c) would expand upon the cooperation requirement in current Section 4(a) of the Disruption Rules to require the DTCC Systems Participant to cooperate "fully and completely" with the Clearing Agencies, to the Clearing Agencies' reasonable satisfaction, regarding the Participant System Disruption in whole, instead of limiting such cooperation to the root cause and resolution. Such cooperation would include, for example, (i) conducting timely investigations and inquiries relating to the Participant System Disruption; (ii) promptly notifying the Clearing Agencies of any material changes, updates, or new information learned regarding the Participant System Disruption; and (iii) to the extent legally permitted, promptly providing any documentation or information requested by the Clearing Agencies regarding the Participant System Disruption.

<sup>20</sup> The current "senior most management committee" of the Clearing Agencies is the Executive Committee, which includes each of the six persons listed in the existing Disruption Rules that can determine the existence of a Major Event (*i.e.*, the Chief Executive Officer, the Chief Financial Officer, the Group Chief Risk Officer, the Chief Information Officer, the Head of Clearing Agency Services, and the General Counsel), plus the Chief Client Officer, Global Head of DTCC Digital Assets, Head of Enterprise Services, and the Chief Human Resources Officer.

<sup>21</sup> "Prompt notification" means the notification is to be made without undue or unreasonable delay, as is consistent with the use of "prompt" in Reg SCL.

<sup>22</sup> Disruption Rules, *supra* note 4, Section 3.

Fifth, the Clearing Agencies propose to insert a new Section 5 to the Disruption Rules titled “Reconnection Requirements.” This new Section 5 would set forth the information that the subject DTCC Systems Participant would be required to provide to the Clearing Agencies, in form and substance that is reasonably satisfactory to the Clearing Agencies,<sup>23</sup> prior to the Clearing Agencies “reconnecting” a disconnected DTCC Systems Participant. Specifically, the Clearing Agencies propose that they receive three things: (i) a detailed, comprehensive, and auditable report, from a Third-Party Cybersecurity Firm; (ii) an attestation from a Participant Officer of the DTCC Systems Participant;<sup>24</sup> and (iii) an executed indemnity from the DTCC Systems Participant to the reasonable satisfaction and judgement of the Clearing Agencies in consideration of the facts and circumstances.

As stated in proposed Subsection 5(a)(i), the Clearing Agencies would require the report by the Third-Party Cybersecurity Firm to include the following information:

- a timeline of the Participant System Disruption, including all material actions, events, and decisions taken for or relating to the Participant System Disruption;
- a description of the Participant System Disruption and how it was corrected and resolved;
- root cause analysis of the Participant System Disruption;
- confirmation that any severe, critical, or moderate items, or comparable categorizations, identified by the Third-Party Cybersecurity Firm have been resolved;
- confirmation of the normal or intended operation of the subject DTCC Systems Participant’s systems, including, but not limited to, the return or replacement of key systems and datastores to pre-Participant System Disruption resilience, in a safe, secure, and proper manner for at least 72 hours;
- a description of any short- and long-term preventive monitoring and detection recommendations by the Third-Party Cybersecurity Firm; and

- any other information reasonably requested to be included by the Clearing Agencies.

As stated in proposed Subsection 5(a)(ii), the Clearing Agencies would require the Participant Officer to attest to the following:

- the Third-Party Cybersecurity Firm’s report is, to the best of the Participant Officer’s knowledge, accurate and complete;
- all short-term preventive monitoring and detection controls recommended by the Third-Party Cybersecurity Firm have been implemented;
- all medium- and long-term preventive monitoring and detection controls recommended by the Third-Party Cybersecurity Firm will be promptly implemented;
- the Participant Officer recommends Reconnection to DTCC Systems; and
- the DTCC Systems Participant will continue to oversee remediation efforts and monitor the systems of the DTCC Systems Participant, and immediately, but in any event within two hours, notify the Clearing Agencies if there is any indication of the continuation of a Participant System Disruption or an existence of a new Participant System Disruption.

Lastly, Subsection 5(b) would require the subject DTCC Systems Participant to promptly provide, upon the applicable Clearing Agency’s request, any other documentation or information and/or require the subject DTCC Systems Participant to take other actions to the Clearing Agency’s reasonable satisfaction, including obtaining a second Third-Party Cybersecurity Firm onsite validation of the subject DTCC Systems Participant, all of which would be decided by the Clearing Agency in consideration of the facts and circumstances.

The purpose of these proposed changes is to (i) provide each DTCC Systems Participant with notice of what information they would need to provide to the Clearing Agencies in order to be Reconnected under the Disruption Rules; (ii) ensure that the Clearing Agencies have all the necessary information regarding the Participant System Disruption and its remediation from an independent, reputable, and knowledgeable third party, so that the Clearing Agencies can make an informed decision about whether Reconnection is appropriate; (iii) confirm that an appropriate senior officer at the subject DTCC Systems Participant is sufficiently informed and responsible for the DTCC Systems Participant’s systems and the information being provided to the

Clearing Agencies; and (iv) ensure that the Clearing Agencies are properly indemnified for actions or inactions, as needed, all to help mitigate the risk presented by a Reconnection.

Sixth, the Clearing Agencies propose to insert a new Section 6 titled “Reconnection Testing and Approval.” New Section 6 would do two things. First, Subsection 6(a) would require, prior to approval of the Reconnection, that the subject DTCC Systems Participant demonstrate, as applicable, to the Clearing Agencies’ reasonable satisfaction, that it:

- can operate in a test environment, including, but not limited to, sending and receiving messages and transactions;
- can replay or resubmit previously submitted messages or transactions;
- can reverse or void previously submitted messages or transactions;
- can confirm the integrity of messages and transactions;
- has alternative communication methods with the Clearing Agency to facilitate the exchange of messages, transactions, and reports; and
- can complete any other such requirements as are reasonably requested by the Clearing Agencies.

Subsection 6(b) would authorize two or more members of the Clearing Agencies’ senior most management committee, in their reasonable judgement, to approve the Reconnection of a DTCC Systems Participant that was the subject of action taken pursuant to the Disruption Rules, after the Clearing Agencies have received and reviewed to their satisfaction all information believed necessary for a safe Reconnection and certain testing has occurred, pursuant to Subsection 6(a).

Similar to the governance process for determining a Major System Event, the Clearing Agencies believe it appropriate that approval of a Reconnection be made by at least two of the Clearing Agencies’ most senior officers to help ensure that information regarding the Reconnection has been escalated to the highest management level. But, it is essential that such approval not be made until the Clearing Agencies have (i) received, to their satisfaction, all necessary Participant System Disruption information and (ii) confirmed that the subject DTCC Systems Participant can safely perform the capabilities necessary for submitting, receiving, and correcting information appropriately, confidently, and in a manner unaffected by the Participant System Disruption, so as to help mitigate the risk presented by the Reconnection.

Seventh, the Clearing Agencies propose to redesignate current Section 5

<sup>23</sup> Whether the information provided is “reasonably satisfactory” would be a determination by the applicable Clearing Agency in consideration of the facts and circumstances, such as the severity of the disruption, thoroughness of and confidence in the information provided, any outstanding questions or concerns, etc., all within the context of reasonableness.

<sup>24</sup> Pursuant to this proposed rule change, “Participant Officer” would be defined as a member of the board of directors, a senior executive officer, or other member of senior management of the subject DTCC Systems Participant.

of the Disruption Rules as Section 7, which would continue to address “Certain Miscellaneous Matters.” In addition to various technical, ministerial, and other conforming and clarifying changes to newly designated Section 7, the Clearing Agencies propose to remove the existing “conflicts” provision and replace it with a “failure to comply” provision. The new “failure to comply” provision would authorize the Clearing Agencies to (i) subject a DTCC Systems Participant that is a Respective Participant to any and all disciplinary action permitted under the rules of the Clearing Agencies, if such Respective Participant fails to comply with the Disruption Rules; (ii) subject a DTCC Systems Participant that is not a Respective Participant to any and all actions, obligations, or rights permitted under any agreement made between the entity and the Clearing Agencies, if such entity fails to comply with the Disruption Rules; and (iii) require a DTCC Systems Participant that has authorized another party to access and use DTCC Systems to assume responsibility for such authorized party’s compliance or compliance failure. The purpose of these changes is to emphasize the importance in complying with the Disruption Rules and highlight the actions that the Clearing Agencies may take if there is a failure to comply, as applicable to the subject party.

Finally, the Clearing Agencies propose to rename the Disruption Rules from “Systems Disconnect: Threat of Significant Impact to [the Clearing Agencies’] Systems” to “Participant System Disruption,” which the Clearing Agencies believe is a more appropriate description of the rule, particularly in consideration of the proposed changes.

## 2. Statutory Basis

The Clearing Agencies believe that the proposal is consistent with the requirements of the Act and the rules and regulations thereunder applicable to each of the Clearing Agencies. In particular, the Clearing Agencies believe that the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act,<sup>25</sup> and Rules 17ad–22(e)(2) and (e)(17) promulgated under the Act,<sup>26</sup> as described below.

### Consistency With Section 17A(b)(3)(F)

Section 17A(b)(3)(F) of the Act<sup>27</sup> requires, in part, that the rules of the Clearing Agencies be designed to

promote the prompt and accurate clearance and settlement of securities transactions, and to assure the safeguarding of securities and funds which are in the custody or control of the Clearing Agencies or for which they are responsible.

As described above, the proposed rule change would (i) update and add definitions used throughout the Disruption Rules; (ii) update the provisions and governance for declaring a Major System Event; (iii) clarify and enhance the requirements of a DTCC Systems Participant to notify the Clearing Agencies of a Participant System Disruption; (iv) add provisions incorporating the reporting, testing and approval requirements, process, and governance necessary to Reconnect a DTCC Systems Participant that was the subject of action pursuant to the Disruption Rules; and (v) make technical, ministerial, and other conforming and clarifying changes, including updating the name of the Disruption Rules.

The Clearing Agencies believe that these proposed changes would enhance, clarify, streamline, and improve the Clearing Agencies’ ability to identify a Participant System Disruption, take action because of such disruption, and then appropriately and safely Reconnect a subject DTCC Systems Participant under the Disruption Rules. The Clearing Agencies also believe that the level of detail and clarity provided by the proposed changes provides greater transparency and notice to all parties that would be subject to the Disruption Rules. Ultimately, these proposed changes help mitigate risk and better protect the Clearing Agencies, their Respective Participants, each DTCC Systems Participant, and the industry more broadly from a Participant System Disruption and associated Major System Event, by providing advance transparency to the DTCC Systems Participant of their obligations in the event of a Participant System Disruption and more detailed and timely notification of such disruption to the Clearing Agencies, which would afford the Clearing Agencies more time and information to help manage risks presented. By helping to mitigate risk and better protect those parties, the Clearing Agencies would be better situated to successfully manage a Participant System Disruption, which, in turn, helps promote the prompt and accurate clearance and settlement of securities transactions and enables the Clearing Agencies to better safeguard securities and funds that are in their

custody or control, consistent with Section 17A(b)(3)(F) of the Act.<sup>28</sup>

### Consistency With Rule 17ad–22(e)(2)(i) and (v)

Rule 17ad–22(e)(2) promulgated under the Act<sup>29</sup> requires, in part, that the Clearing Agencies establish, implement, maintain and enforce written policies and procedures reasonably designed to provide for governance arrangements that, among other things, (i) are clear and transparent (*i.e.*, Subsection (e)(2)(i) of Rule 17ad–22) and (ii) specify clear and direct lines of responsibility (*i.e.*, Subsection (e)(2)(v) of Rule 17ad–22).

As described above, the Clearing Agencies propose to no longer (a) provide a list of specific persons that may determine the Clearing Agencies have a reasonable basis to conclude that there is a Major System Event, nor (b) require, within five Business Days, that such determination be reviewed by a management committee on which all such listed people serve, and the Board. Instead, the Clearing Agencies propose that such determination be made by two or more members of the Clearing Agencies’ senior most management committee and then, after such determination is made, that the Board, any remaining members of that senior management committee, and the Commission be promptly notified of such determination.

The Clearing Agencies believe that these proposed changes to identify the subset of senior officers that would have the authority to declare a Major System Event, while also providing for prompt notice to the remaining members of the senior most management committee, the Board, and the Commission would make such governance procedures more clear and transparent, while specifying clear and direct lines of responsibility with respect to such determination, consistent with Rule 17ad–22(e)(2)(i) and (v) promulgated under the Act.<sup>30</sup>

### Consistency With Rule 17ad–22(e)(17)(i)

Rule 17ad–22(e)(17)(i) promulgated under the Act<sup>31</sup> requires that the Clearing Agencies establish, implement, maintain, and enforce written policies and procedures reasonably designed to manage operational risks by identifying plausible sources of operational risk, both internal and external, and mitigating their impact through the use

<sup>28</sup> *Id.*

<sup>29</sup> 17 CFR 240.17ad–22(e)(2).

<sup>30</sup> 17 CFR 240.17ad–22(e)(2)(i) and (v).

<sup>31</sup> 17 CFR 240.17ad–22(e)(17)(i).

<sup>25</sup> 15 U.S.C. 78q–1(b)(3)(F).

<sup>26</sup> 17 CFR 240.17ad–22(e)(2) and (e)(17).

<sup>27</sup> 15 U.S.C. 78q–1(b)(3)(F).

of appropriate systems, policies, procedures, and controls.

As described above, the Clearing Agencies propose to (a) expand the definition of DTCC Systems Participant to specifically name the applicable Respective Participant types, and include Affiliates of such Respective Participants and entities similar to third-party service providers and service bureaus; (b) clarify and enhance the requirements of each DTCC Systems Participant to notify the Clearing Agencies of a Participant System Disruption; and (c) add provisions incorporating the reporting, testing and approval requirements, process, and governance necessary to Reconnect a DTCC Systems Participant that was the subject of action taken pursuant to the Disruption Rules.

By more explicitly naming and expanding the parties that are subject to the Disruption Rules, and also clarifying and enhancing who has to report information to the Clearing Agencies in the event of a Participant System Disruption, when the disruption has to be reported, and what disruption details have to be reported, the Clearing Agencies would be improving their ability to identify and collect information about disruptions experienced by the entities connected to DTCC Systems, which, in turn, would enable the Clearing Agencies to react more quickly and effectively to the disruption, in protection of their systems, as well as the systems of other entities connected to the Clearing Agencies. Then, by adding the proposed Reconnection and associated testing requirements and governance prior to Reconnection of the DTCC Systems Participant, the Clearing Agencies would be better assured the operational disruption had been sufficiently mitigated such that it no longer presents a risk to the Clearing Agencies or their Respective Participants.

For these reasons, the Clearing Agencies believe these proposed changes would better position the Clearing Agencies to identify and address operational risk presented by a Participant System Disruption, consistent with the requirements of Rule 17ad-22(e)(17)(i) promulgated under the Act.<sup>32</sup>

#### *(B) Clearing Agency's Statement on Burden on Competition*

The Clearing Agencies believe that three of the proposed changes could have an impact on competition: (i) expanding the definition of DTCC Systems Participant to include Affiliates

of the Respective Participants, and entities similar to third-party service providers and service bureaus; (ii) establishing the Reconnection requirements in new Section 5; and (iii) establishing the testing requirements, prior to Reconnection, in new Section 6, as described above. The Clearing Agencies believe the impact of these proposed changes could impose a burden on competition but that such burden is necessary and appropriate in furtherance of the purposes of the Act, as explained below.

The Clearing Agencies believe that expanding the definition of DTCC Systems Participant could impose a burden on competition on such entities because they would now be explicitly subject to the requirements of the Disruption Rules, including being the subject of a disconnection and all subsequent Reconnection requirements. The Clearing Agencies acknowledge and appreciate that being disconnected from DTCC Systems could place a disconnected entity at a competitive disadvantage, as the disconnection could effectively halt the entity's post-trade processing or other related activity transacted through the Clearing Agencies. However, the Clearing Agencies do not believe such expansion would create a significant burden because, in the Clearing Agencies' experience, such entities are already indirectly subject to the requirements of the Disruption Rules because of the often close relationship and interconnectivity between such entities and the Respective Participants. In other words, if one or more of the Respective Participants is disconnected from DTCC Systems under the current Disruption Rules, it is very likely that the entities associated with the disconnected Respective Participant, particularly Affiliates, also will be disconnected. Therefore, although not explicitly named in the current Disruption Rules, such entities are already indirectly subject to the rule through the Respective Participant. Additionally, as would continue to be provided for in the Disruption Rules, under new Subsection 4(a)(iii), the Clearing Agencies would endeavor to facilitate the continuation of their services, in some manner, for a DTCC Systems Participant that was the subject of action under the Disruption Rules, as appropriate and practical.

The Clearing Agencies believe establishing the Reconnection requirements in newly proposed Section 5 and, similarly, establishing the testing requirements prior to Reconnection in newly proposed Section 6, each of which are described above, could each

impose a burden on competition on a subject DTCC Systems Participant because the changes create steps that the subject DTCC Systems Participant would need to take in order to be Reconnected to DTCC Systems. The Clearing Agencies appreciate that these additional steps could mean the DTCC Systems Participant remains "disconnected" from DTCC Systems longer than it believes necessary or longer than it may otherwise be disconnected but for these additional steps, which could be a competitive burden for that DTCC Systems Participant. However, the Clearing Agencies do not believe the burden on competition from the proposed Reconnection and testing requirements is significant because, in the Clearing Agencies' experience, these additional steps are standard practice to ensure that Reconnections are appropriate and safe. In other words, although not explicitly required under the current Disruption Rules, a disconnected DTCC Systems Participant would likely need to complete the proposed Reconnection and testing requirements. Additionally, as noted in the preceding paragraph, under new Subsection 4(a)(iii) of the Disruption Rules, the Clearing Agencies would have endeavored to facilitate the continuation of services of a disconnected DTCC Systems Participant in some manner, as appropriate and practical, prior to Reconnection.

Regardless of the significance of the burden, the Clearing Agencies strongly believe that the burden on competition from explicitly including Affiliates of the Respective Participants, and entities similar to third parties in the Disruption Rules, and the addition of the proposed Reconnection and testing requirements is necessary and appropriate in furtherance of the purposes of the Act, as permitted by Section 17A(b)(3)(I) of the Act.<sup>33</sup> Specifically, the Clearing Agencies believe these changes are necessary and appropriate in furtherance of Section 17A(b)(3)(F) of the Act<sup>34</sup> and Rule 17ad-22(e)(17) promulgated under the Act,<sup>35</sup> as each are described above.

These changes are necessary because, by covering Affiliates and additional third parties and requiring Reconnection and testing requirements, the Clearing Agencies would be helping to ensure that the breadth of the Disruption Rules is broad enough to address all likely subject parties of a Participant System Disruption, and that the Clearing Agencies receive adequate

<sup>33</sup> 15 U.S.C. 78q-1(b)(3)(I).

<sup>34</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>35</sup> 17 CFR 240.17ad-22(e)(17).

<sup>32</sup> *Id.*

information, which includes adequate testing of the subject DTCC Systems Participant, to determine that Reconnection is safe. Similarly, these changes are appropriate because, from the Clearing Agencies' experience, they are consistent with actual practice in the event of a Participant System Disruption. Therefore, ensuring that the right parties are covered and that the Clearing Agencies have adequate information would help promote the prompt and accurate clearance and settlement of securities transactions, and assure the safeguarding of securities and funds which are in the custody or control of the Clearing Agencies, consistent with Section 17A(b)(3)(F) of the Act,<sup>36</sup> and would help mitigate the impact of the operational risk presented by a Participant System Disruption, consistent with Rule 17ad-22(e)(17) promulgated under the Act.<sup>37</sup>

The Clearing Agencies do not believe any of the other proposed changes would have an impact on competition because the remaining changes are various technical, ministerial, conforming, or clarifying changes, or are related to the Clearing Agencies' governance practices for the Disruption Rules, which would not impact a DTCC Systems Participant's competitive position.

*(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Clearing Agencies have not received or solicited any written comments relating to this proposed rule change. If any written comments are received, the Clearing Agencies will amend their respective filings to publicly file such comments as an Exhibit 2 to this filing, as required by Form 19b-4 and the General Instructions thereto.

Persons submitting written comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b-4, the Commission does not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission's instructions on How to Submit Comments, available at <https://www.sec.gov/regulatory-actions/how-to-submit-comments>. General

questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the Commission's Division of Trading and Markets at [tradingandmarkets@sec.gov](mailto:tradingandmarkets@sec.gov) or 202-551-5777.

The Clearing Agencies reserve the right to not respond to any comments received.

**III. Date of Effectiveness of the Proposed Rule Change, and Timing for Commission Action**

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve or disapprove such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

*Electronic Comments*

- Use the Commission's internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NSCC-2025-003 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

All submissions should refer to file number SR-NSCC-2025-003. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than

those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549 on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of NSCC and on DTCC's website (<https://dtcc.com/legal/sec-rule-filings.aspx>). Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-NSCC-2025-003 and should be submitted on or before April 17, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>38</sup>

**J. Matthew DeLesDernier,**

*Deputy Secretary.*

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**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

**[Release No. 34-102710; File No. SR-EMERALD-2025-08]**

**Self-Regulatory Organizations; MIAX Emerald, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Exchange's Fee Schedule To Update the Exchange's Email Domain and Delete the Reference to Mini-Options**

March 21, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on March 14, 2025, MIAX Emerald, LLC ("MIAX Emerald" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

<sup>38</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>36</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>37</sup> 17 CFR 240.17ad-22(e)(17).

## I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend the MIAX Emerald Options Exchange Fee Schedule (the "Fee Schedule") to (1) update the Exchange's email domain and (2) delete the reference to mini-options.

The text of the proposed rule change is available on the Exchange's website at <https://www.miaxglobal.com/markets/us-options/miax-options/rule-filings>, at the Exchange's principal office, and at the Commission's Public Reference Room.

## II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

### A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

#### 1. Purpose

The Exchange proposes to amend the Fee Schedule to (1) update the Exchange's email domain; and (2) delete the reference to mini-options.

#### Proposal To Amend the Exchange's Email Domain in the Definition of "Affiliate"

The Exchange proposes to amend the Exchange's email domain in the definition of "Affiliate" in the definitions section of the Fee Schedule.

Currently, the definition of "Affiliate" provides, in relevant part, that ". . . A MIAX Emerald Market Maker appoints an EEM and an EEM appoints a MIAX Emerald Market Maker, for the purposes of the Fee Schedule, by each completing and sending an executed Volume Aggregation Request Form by email to [membership@miaxoptions.com](mailto:membership@miaxoptions.com) no later than 2 business days prior to the first business day of the month in which the designation is to become effective . . . ." The Exchange started using the new domain ([@miaxglobal.com](mailto:@miaxglobal.com)), instead of the old domain ([@miaxoptions.com](mailto:@miaxoptions.com)), and all firms are required to include the new domain ([@miaxglobal.com](mailto:@miaxglobal.com)) as of

June 1, 2023.<sup>3</sup> The Exchange now proposes to replace the old email domain ([membership@miaxoptions.com](mailto:membership@miaxoptions.com)) with the new email domain ([membership@miaxglobal.com](mailto:membership@miaxglobal.com)) in the definition of "Affiliate" in the Fee Schedule. Accordingly, with the proposed change, the definition of "Affiliate" will read as follows:

"Affiliate" means (i) an affiliate of a Member of at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A, or (ii) the Appointed Market Maker of an Appointed EEM (or, conversely, the Appointed EEM of an Appointed Market Maker). An "Appointed Market Maker" is a MIAX Emerald Market Maker (who does not otherwise have a corporate affiliation based upon common ownership with an EEM) that has been appointed by an EEM and an "Appointed EEM" is an EEM (who does not otherwise have a corporate affiliation based upon common ownership with a MIAX Emerald Market Maker) that has been appointed by a MIAX Emerald Market Maker, pursuant to the following process. A MIAX Emerald Market Maker appoints an EEM and an EEM appoints a MIAX Emerald Market Maker, for the purposes of the Fee Schedule, by each completing and sending an executed Volume Aggregation Request Form by email to [membership@miaxglobal.com](mailto:membership@miaxglobal.com) no later than 2 business days prior to the first business day of the month in which the designation is to become effective. Transmittal of a validly completed and executed form to the Exchange along with the Exchange's acknowledgement of the effective designation to each of the Market Maker and EEM will be viewed as acceptance of the appointment. The Exchange will only recognize one designation per Member. A Member may make a designation not more than once every 12 months (from the date of its most recent designation), which designation shall remain in effect unless or until the Exchange receives written notice submitted 2 business days prior to the first business day of the month from either Member indicating that the appointment has been terminated. Designations will become operative on the first business day of the effective month and may not be terminated prior to the end of the month. Execution data and reports will be provided to both parties.

#### Proposal To Delete the Reference to Mini-Options

The Exchange proposes to delete the outdated reference to mini-options in the Fee Schedule. On December 20, 2018, the Securities and Exchange Commission ("Commission") approved the Exchange's Form 1 application to register as a national securities exchange under Section 6 of the Exchange Act.<sup>4</sup>

<sup>3</sup> See "MIAX Exchange Group—Options and Equities Markets—Final Reminder: New email domain," available at <https://www.miaxglobal.com/alert/2023/06/01/miax-exchange-group-options-and-equities-markets-final-reminder-new-email-1>.

<sup>4</sup> See Securities Exchange Act Release No. 84891 (December 20, 2018), 83 FR 67421 (December 28,

At that time, the Exchange established rule text for mini-options. Mini-options never gained significant market acceptance and have not achieved the expected level of traction or success in its target market. Accordingly, all mini-options were delisted several years ago and the Exchange does not have plans to re-list them in the foreseeable future. As the Exchange no longer offers mini-option contracts, the Exchange proposes to delete the reference to mini-options to provide greater clarity to Members<sup>5</sup> and the public regarding the Exchange's offerings and Fee Schedule. The Exchange also notes that other exchanges filed similar proposals to delete references to mini-options.<sup>6</sup> In the event that the Exchange desires to list mini-options in the future, the Exchange will file a rule change with the Commission to adopt rules to list mini-options and corresponding fees and rebates for transactions in mini-options, if applicable.

Specifically, the Exchange proposes to delete the phrase "including Mini Options," in the first sentence of in Section 2(b) of the Fee Schedule.

#### 2. Statutory Basis

The Exchange believes that the proposed changes are consistent with Section 6(b) of the Act<sup>7</sup> in general, and further the objectives of Section 6(b)(1) of the Act,<sup>8</sup> in particular, in that they are designed to enforce compliance by the Exchange's Members and persons associated with its Members, with the provisions of the rules of the Exchange. In particular, the Exchange believes that the proposed changes will provide greater clarity to Members and the public regarding the Exchange's Fee Schedule by updating the Exchange's new email domain and removing the

2018) (File No. 10–233) (In the Matter of the Application of MIAX EMERALD, LLC for Registration as a National Securities Exchange; Findings, Opinion, and Order of the Commission) (establishing rules for mini-options).

<sup>5</sup> The term "Member" means an individual or organization approved to exercise the trading rights associated with a Trading Permit. Members are deemed "members" under the Exchange Act. See Exchange Rule 100.

<sup>6</sup> See Securities Exchange Act Release No. 88374 (March 12, 2020), 85 FR 15522 (March 18, 2020) (SR–Phlx–2020–08) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Certain Phlx Rules To Remove References to Mini Options); see also Securities Exchange Act Release No. 88458 (March 23, 2020), 85 FR 17372 (March 27, 2020) (SR–MRX–2020–07) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change Related to the Removal of Obsolete Listing Rules); see also Securities Exchange Act Release No. 88456 (March 23, 2020), 85 FR 17126 (March 26, 2020) (SR–ISE–2020–11) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change Related to the Removal of Obsolete Listing Rules).

<sup>7</sup> 15 U.S.C. 78f(b).

<sup>8</sup> 15 U.S.C. 78f(b)(1).

outdated reference to mini-options that are no longer offered by the Exchange. The proposed changes will also make it easier for Members and non-Members to interpret the Exchange's Fee Schedule.

The Exchange believes that the proposed changes also further the objectives of Section 6(b)(5) of the Act. In particular, they are designed to prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, protect investors and the public interest. The Exchange believes the proposed changes promote just and equitable principles of trade and remove impediments to and perfect the mechanism of a free and open market and a national market system because the proposed changes will provide greater clarity to Members and the public regarding the Exchange's Fee Schedule by updating the reference to the Exchange's new email domain and removing the outdated reference to mini-options that are no longer offered by the Exchange. The purpose of deleting the reference to mini-options is to remove obsolete language in the Fee Schedule. Mini-options are no longer offered by the Exchange since mini-options failed to gain significant market acceptance and did not achieve the expected level of traction or success in its target market. Removing the reference to mini-options would render the Exchange's Fee Schedule more accurate and reduce potential investor confusion. The Exchange does not propose to amend any fees to be assessed to Members or non-Members. It is in the public interest for the Exchange's Fee Schedule to be accurate and consistent so as to eliminate the potential for confusion.

#### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. Specifically, the Exchange believes the proposed changes will not impose any burden on intra-market competition as there is no functional change to the Exchange's System<sup>9</sup> or the Exchange's fees and

because the Exchange's Fee Schedule applies to all market participants equally. The proposal will have no impact on competition as it is not designed to address any competitive issue but rather is designed to remedy minor issues and provide added clarity to the Fee Schedule, including removing the outdated reference to mini-options that are no longer offered by the Exchange. Mini-options failed to gain significant market acceptance and have not achieved the expected level of traction or success in its target market; accordingly, the Exchange delisted all mini-options several years ago and does not have plans to re-list them in the foreseeable future.<sup>10</sup> The proposed changes would apply uniformly to all market participants. The proposed changes do not favor certain categories of market participants in a manner that would impose an undue burden on competition.

In addition, the Exchange does not believe the proposal will impose any burden on inter-market competition as the proposal does not address any competitive issues and is intended to protect investors by providing further transparency regarding the Exchange's email domain and offerings. Removing the outdated reference to mini-options that are no longer offered by the Exchange is to provide more clarity within the Fee Schedule by deleting outdated language in the Fee Schedule. Mini-options failed to gain significant market acceptance and have not achieved the expected level of traction or success in its target market, so the Exchange delisted all mini-options several years ago and does not have plans to re-list them in the foreseeable future. The Exchange does not believe that the proposal will harm another exchange's ability to compete. Accordingly, the Exchange does not believe the proposal imposes any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

#### *C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

No written comments were either solicited or received.

#### **III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The Exchange has filed the proposed rule change pursuant to Section

19(b)(3)(A) of the Act<sup>11</sup> and Rule 19b-4(f)(6)<sup>12</sup> thereunder. Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; or (iii) become operative for 30 days after the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>13</sup> and Rule 19b-4(f)(6)<sup>14</sup> thereunder.

A proposed rule change filed under Rule 19b-4(f)(6)<sup>15</sup> normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),<sup>16</sup> the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposed rule change may become operative immediately upon filing. The Exchange states that the proposed changes are designed solely to add more clarity to the Fee Schedule, and that competing exchanges have similarly filed rule proposals to remove references to mini-options as they no longer trade mini-options either. For these reasons, and because the proposed rule change does not raise any novel legal or regulatory issues, the Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission hereby waives the 30-day operative delay and designates the proposed rule change to be operative upon filing.<sup>17</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the

<sup>11</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>12</sup> 17 CFR 240.19b-4(f)(6).

<sup>13</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>14</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

<sup>15</sup> 17 CFR 240.19b-4(f)(6).

<sup>16</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>17</sup> For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>9</sup> The term "System" means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

<sup>10</sup> The Exchange notes that other exchanges filed similar proposals to delete references to mini-options. See *supra* note 6.

Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

##### *Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-EMERALD-2025-08 on the subject line.

##### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-EMERALD-2025-08. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-EMERALD-2025-08 and should be submitted on or before April 17, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>18</sup>

**J. Matthew DeLesDernier,**

*Deputy Secretary.*

[FR Doc. 2025-05205 Filed 3-26-25; 8:45 am]

**BILLING CODE 8011-01-P**

#### SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-0692]

#### Proposed Collection; Comment Request; Extension: Regulation S-ID

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (the "Commission") is soliciting comments on the collection of information summarized below. The Commission plans to submit this existing collection of information to the Office of Management and Budget for extension and approval.

Regulation S-ID (17 CFR 248), including the information collection requirements thereunder, is designed to better protect investors from the risks of identity theft. Under Regulation S-ID, SEC-regulated entities are required to develop and implement reasonable policies and procedures to identify, detect, and respond to relevant red flags (the "Identity Theft Red Flags Rules") and, in the case of entities that issue credit or debit cards, to assess the validity of, and communicate with cardholders regarding, address changes. Section 248.201 of Regulation S-ID includes the following information collection requirements for each SEC-regulated entity that qualifies as a "financial institution" or "creditor" under Regulation S-ID and that offers or maintains covered accounts: (i) creation and periodic updating of an identity theft prevention program ("Program") that is approved by the board of directors, an appropriate committee thereof, or a designated senior management employee; (ii) periodic staff reporting to the board of directors on compliance with the Identity Theft Red Flags Rules and related guidelines; and (iii) training of staff to implement the Program. Section 248.202 of Regulation S-ID includes the following information collection requirements for each SEC-regulated entity that is a credit

or debit card issuer: (i) establishment of policies and procedures that assess the validity of a change of address notification if a request for an additional or replacement card on the account follows soon after the address change; and (ii) notification of a cardholder, before issuance of an additional or replacement card, at the previous address or through some other previously agreed-upon form of communication, or alternatively, assessment of the validity of the address change request through the entity's established policies and procedures.

SEC staff estimates of the hour burdens associated with section 248.201 under Regulation S-ID include the one-time burden of complying with this section for newly-formed SEC-regulated entities, as well as the ongoing costs of compliance for all SEC-regulated entities. All newly-formed financial institutions and creditors would be required to conduct an initial assessment of covered accounts, which SEC staff estimates would entail a one-time burden of 2 hours. Staff estimates that this burden would result in a cost of \$1,022 to each newly-formed financial institution or creditor.<sup>1</sup> To the extent a financial institution or creditor offers or maintains covered accounts, SEC staff estimates that the financial institution or creditor would also incur a one-time burden of 25 hours to develop and obtain board approval of a Program, and a one-time burden of 4 hours to train the financial institution's or creditor's staff, for a total of 29 additional burden hours. Staff estimates that these burdens would result in additional costs of \$16,980 for each financial institution or creditor that offers or maintains covered accounts.<sup>2</sup>

SEC staff estimates that approximately 539 SEC-regulated financial institutions and creditors are newly formed each year.<sup>3</sup> Each of these 539 entities will

<sup>1</sup> This estimate is based on the following calculation: 2 hours × \$511 (hourly rate for internal counsel) = \$1,022; see *infra* note 2 (discussing the methodology for estimating the hourly rate for internal counsel).

<sup>2</sup> SEC staff estimates that, of the 29 hours incurred to develop and obtain board approval of a Program and train the financial institution's or creditor's staff, 10 hours will be spent by internal counsel at an hourly rate of \$511, 17 hours will be spent by administrative assistants at an hourly rate of \$100, and 2 hours will be spent by the board of directors as a whole at an hourly rate of \$5,085; thus, the estimated \$16,980 in additional costs is based on the following calculation: (10 hours × \$511 = \$5,110) + (17 hours × \$100 = \$1,700) + (2 hours × \$5,085 = \$10,170) = \$16,980.

<sup>3</sup> Based on a review of new registrations typically filed with the SEC each year, SEC staff estimates that approximately 1,228 investment advisers, 108 broker dealers, 24 investment companies, and 2 ESCs typically apply for registration with the SEC or otherwise are newly formed each year, for a total

<sup>18</sup> 17 CFR 200.30-3(a)(12) and (59).

need to conduct an initial assessment of covered accounts, for a total of 1,078 hours at a total cost of \$550,858.<sup>4</sup> Of these 539 entities, staff estimates that approximately 90% (or 485) maintain covered accounts.<sup>5</sup> Accordingly, staff estimates that the additional initial burden for SEC-regulated entities that are likely to qualify as financial institutions or creditors and maintain covered accounts is 14,065 hours at an additional cost of \$8,235,300.<sup>6</sup> Thus, the total initial estimated burden for all newly-formed SEC-regulated entities is 15,143 hours at a total estimated cost of \$8,786,158.<sup>7</sup>

Each financial institution and creditor would be required to conduct periodic assessments to determine if the entity offers or maintains covered accounts, which SEC staff estimates would entail an annual burden of 1 hour per entity. Staff estimates that this burden would result in an annual cost of \$511 to each financial institution or creditor.<sup>8</sup> To the extent a financial institution or creditor offers or maintains covered accounts, staff estimates that the financial institution or creditor also would incur an annual burden of 2.5 hours to prepare and present an annual report to the board, and an annual burden of 7 hours to periodically review and update the Program (including review and preservation of contracts with service providers, as well as review and preservation of any documentation received from service providers). Staff

of 1,362 entities that could be financial institutions or creditors; of these, staff estimates that all of the investment companies, ESCs, and broker-dealers are likely to qualify as financial institutions or creditors, and 33% of investment advisers (or 405) are likely to qualify; *see* Identity Theft Red Flags, Investment Company Act Release No. 30456 (Apr. 10, 2013) (“Adopting Release”) at n.190 (discussing the staff’s analysis supporting its estimate that 33% of investment advisers are likely to qualify as financial institutions or creditors); we therefore estimate that a total of 539 total financial institutions or creditors will bear the initial one-time burden of assessing covered accounts under Regulation S-ID.

<sup>4</sup> These estimates are based on the following calculations: 539 entities × 2 hours = 1,078 hours; 539 entities × \$1,022 = \$550,858.

<sup>5</sup> In the Proposing Release, the SEC requested comment on the estimate that approximately 90% of all financial institutions and creditors maintain covered accounts; the SEC received no comments on this estimate.

<sup>6</sup> These estimates are based on the following calculations: 485 financial institutions and creditors that maintain covered accounts × 29 hours = 14,065 hours; 485 financial institutions and creditors that maintain covered accounts × \$16,980 = \$8,235,300.

<sup>7</sup> These estimates are based on the following calculations: 1,078 hours + 14,065 hours = 15,143 hours; \$550,858 + \$8,235,300 = \$8,786,158.

<sup>8</sup> This estimate is based on the following calculation: 1 hour × \$511 (hourly rate for internal counsel) = \$511; *see supra* note 2 (discussing the methodology for estimating the hourly rate for internal counsel).

estimates that these burdens would result in additional annual costs of \$9,429 for each financial institution or creditor that offers or maintains covered accounts.<sup>9</sup>

SEC staff estimates that there are 10,055 SEC-regulated entities that are either financial institutions or creditors, and that all of these will be required to periodically review their accounts to determine if they offer or maintain covered accounts, for a total of 10,055 hours for these entities at a total cost of \$5,138,105.<sup>10</sup> Of these 10,055 entities, staff estimates that approximately 90 percent, or 9,050, maintain covered accounts, and thus will need the additional burdens related to complying with the rules.<sup>11</sup> Accordingly, staff estimates that the additional annual burden for SEC-regulated entities that qualify as financial institutions or creditors and maintain covered accounts is 85,975 hours at an additional cost of \$85,332,450.<sup>12</sup> Thus, the total estimated ongoing annual burden for all SEC-regulated entities is 96,030 hours at a total estimated annual cost of \$90,470,555.<sup>13</sup>

<sup>9</sup> Staff estimates that, of the 9.5 hours incurred to prepare and present the annual report to the board and periodically review and update the Program, 8.5 hours will be spent by internal counsel at an hourly rate of \$511, and 1 hour will be spent by the board of directors as a whole at an hourly rate of \$5,085; thus, the estimated \$9,429 in additional annual costs is based on the following calculation: (8.5 hours × \$511 = \$4,344) + (1 hour × \$5,085 = \$5,085) = \$9,429; *see supra* note 2 (discussing the methodology for estimating the hourly rate for internal counsel and the board of directors).

<sup>10</sup> Based on a review of entities that the SEC regulates, SEC staff estimates that, as of September 30, 2024, there are approximately 15,968 investment advisers, 3,380 broker-dealers, 1,359 active open-end investment companies, and 47 ESCs; of these, staff estimates that all of the broker-dealers, open-end investment companies and ESCs are likely to qualify as financial institutions or creditors; we also estimate that approximately 33% of investment advisers, or 5,269 investment advisers, are likely to qualify; *see* Adopting Release, *supra* note Error! Bookmark not defined., at n.190 (discussing the staff’s analysis supporting its estimate that 33% of investment advisers are likely to qualify as financial institutions or creditors); we therefore estimate that a total of 10,055 financial institutions or creditors will bear the ongoing burden of assessing covered accounts under Regulation S-ID (the SEC staff estimates that the other types of entities that are covered by the scope of the SEC’s rules will not be financial institutions or creditors and therefore will not be subject to the rules’ requirements.)

<sup>11</sup> *See supra* note 5 and accompanying text; if a financial institution or creditor does not maintain covered accounts, there would be no ongoing annual burden for purposes of the PRA.

<sup>12</sup> These estimates are based on the following calculations: 9,050 financial institutions and creditors that maintain covered accounts × 9.5 hours = 85,975 hours; 9,050 financial institutions and creditors that maintain covered accounts × \$9,429 = \$85,332,450.

<sup>13</sup> These estimates are based on the following calculations: 10,055 hours + 85,975 hours = 96,030 hours; \$5,138,105 + \$85,332,450 = \$90,470,555.

The collections of information required by section 248.202 will apply only to SEC-regulated entities that issue credit or debit cards.<sup>14</sup> SEC staff understands that SEC-regulated entities generally do not issue credit or debit cards, but instead partner with other entities, such as banks, that issue cards on their behalf. These other entities, which are not regulated by the SEC, are already subject to substantially similar change of address obligations pursuant to the Agencies’ identity theft red flags rules. Therefore, staff does not expect that any SEC-regulated entities will be subject to the information collection requirements of section 248.202, and accordingly, staff estimates that there is no hour or cost burden for SEC-regulated entities related to section 248.202.

In total, SEC staff estimates that the aggregate annual information collection burden of Regulation S-ID is 111,173 hours (15,143 hours + 96,030 hours). This estimate of burden hours is made solely for the purposes of the Paperwork Reduction Act and is not derived from a quantitative, comprehensive, or even representative survey or study of the burdens associated with Commission rules and forms. Compliance with Regulation S-ID, including compliance with the information collection requirements thereunder, is mandatory for each SEC-regulated entity that qualifies as a “financial institution” or “creditor” under Regulation S-ID (as discussed above, certain collections of information under Regulation S-ID are mandatory only for financial institutions or creditors that offer or maintain covered accounts). Responses will not be kept confidential. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

Written comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission’s estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including

<sup>14</sup> § 248.202(a).

through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted by May 27, 2025.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

Please direct your written comment to Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Tanya Ruttenberg, 100 F Street NE, Washington, DC 20549 or send an email to:

[PaperworkReductionAct@sec.gov](mailto:PaperworkReductionAct@sec.gov).

Dated: March 21, 2025.

**Stephanie J. Fouse,**  
Assistant Secretary.

[FR Doc. 2025-05198 Filed 3-26-25; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-102714; File No. SR-CboeBYX-2025-006]

### Self-Regulatory Organizations; Cboe BYX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Increase the Monthly Fee for 10 Gb Physical Ports

March 21, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on March 13, 2025, Cboe BYX Exchange, Inc. (“Exchange” or “BYX”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to increase the monthly fee for 10 Gb physical ports. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange’s website ([http://markets.cboe.com/us/equities/regulation/rule\\_filings/BYX/](http://markets.cboe.com/us/equities/regulation/rule_filings/BYX/)), at the Exchange’s Office of the Secretary, and at the Commission’s Public Reference Room.

#### II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

##### A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

The Exchange proposes to amend its fee schedule relating to physical connectivity fees.<sup>3</sup>

By way of background, a physical port is utilized by a Member or non-Member to connect to the Exchange at the data centers where the Exchange’s servers are located. The Exchange currently assesses the following physical connectivity fees for Members and non-Members on a monthly basis: \$2,500 per physical port for a 1 gigabit (“Gb”) circuit and \$7,500 per physical port for a 10 Gb circuit. The Exchange proposes to increase the monthly fee for 10 Gb physical ports from \$7,500 to \$8,500 per port. The Exchange notes the proposed

<sup>3</sup> The Exchange initially filed the proposed fee changes on July 3, 2023 (SR-CboeBYX-2023-010). On September 1, 2023, the Exchange withdrew that filing and submitted SR-CboeBYX-2023-013. On September 29, 2023, the Securities and Exchange Commission issued a Suspension of and Order Instituting Proceedings to Determine whether to Approve or Disapprove a Proposed Rule Change to Amend its Fees Schedule Related to Physical Port Fees (the “OIP”) in anticipation of a possible U.S. government shutdown. On September 29, 2023, the Exchange filed the proposed fee change (SR-CboeBYX-2023-014). On October 13, 2023, the Exchange withdrew that filing and submitted SR-CboeBYX-2023-015. On December 12, 2023, Exchange filed the proposed fee change (SR-CboeBYX-2023-018). On December 12, 2023, the Exchange withdrew that filing and submitted SR-CboeBYX-2023-019. On February 9, 2024, the Exchange withdrew that filing and submitted SR-CboeBYX-2024-006. On April 9, 2024, the Exchange withdrew that filing and submitted SR-CboeBYX-2024-012. On June 7, 2024, the Exchange withdrew that filing and submitted SR-CboeBYX-2024-021. On August 29, 2024, the Exchange withdrew that filing and submitted SR-CboeBYX-2024-032. On October 25, 2024, the Exchange withdrew that filing and submitted SR-CboeBYX-2024-039. On December 18, 2024, the Exchange withdrew that filing and submitted SR-CboeBYX-2024-049. On February 14, 2025, the Exchange withdrew that filing and submitted SR-CboeBYX-2025-003. On March 13, 2025, the Exchange withdrew that filing and submitted this filing..

fee change better enables it to continue to maintain and improve its market technology and services and also notes that the proposed fee amount, even as amended, continues to be in line with, or even lower than, amounts assessed by other exchanges for similar connections.<sup>4</sup> The Exchange also notes that a single 10 Gb physical port can be used to access the Systems of the following affiliate exchanges: the Cboe BZX Exchange, Inc. (options and equities), Cboe EDGX Exchange, Inc. (options and equities platforms), Cboe EDGA Exchange, Inc., and Cboe C2 Exchange, Inc., (“Affiliate Exchanges”).<sup>5</sup> Notably, only one monthly fee currently (and will continue) to apply per 10 Gb physical port regardless of how many affiliated exchanges are accessed through that one port.<sup>6</sup>

###### 2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>7</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>8</sup> requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with

<sup>4</sup> See e.g., The Nasdaq Stock Market LLC (“Nasdaq”), General 8, Connectivity to the Exchange. Nasdaq and its affiliated exchanges charge a monthly fee of \$15,000 for each 10Gb Ultra fiber connection to the respective exchange, which is analogous to the Exchange’s 10Gb physical port. See also New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago Inc., NYSE National, Inc. Connectivity Fee Schedule, which provides that 10 Gb LX LCN Circuits (which are analogous to the Exchange’s 10 Gb physical port) are assessed \$22,000 per month, per port.

<sup>5</sup> The Affiliate Exchanges are also submitting contemporaneous identical rule filings.

<sup>6</sup> The Exchange notes that conversely, other exchange groups charge separate port fees for access to separate, but affiliated, exchanges. See e.g., Securities and Exchange Release No. 99822 (March 21, 2024), 89 FR 21337 (March 27, 2024) (SR-MIAX-2024-016).

<sup>7</sup> 15 U.S.C. 78f(b).

<sup>8</sup> 15 U.S.C. 78f(b)(5).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

the Section 6(b)(5)<sup>9</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(4)<sup>10</sup> of the Act, which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities. This belief is based on various factors as described below.

First, the Exchange believes its proposal is reasonable as it reflects a moderate increase in physical connectivity fees for 10 Gb physical ports and its offering, even as amended, continues to be more affordable as compared to analogous physical connectivity offerings at competitor exchanges.<sup>11</sup>

The Exchange also believes the current fee does not properly reflect the quality of the service and product, as fees for 10 Gb physical ports have been static in nominal terms since 2018, and therefore falling in real terms due to inflation. As a general matter, the Producer Price Index (“PPI”) is a family of indexes that measures the average change over time in selling prices received by domestic producers of goods and services. PPI measures price change from the perspective of the seller. This contrasts with other metrics, such as the Consumer Price Index (CPI), that measure price change from the purchaser’s perspective.<sup>12</sup> About 10,000 PPIs for individual products and groups of products are tracked and released each month.<sup>13</sup> PPIs are available for the output of nearly all industries in the goods-producing sectors of the U.S. economy—mining, manufacturing, agriculture, fishing, and forestry—as well as natural gas, electricity, and construction, among others. The PPI program covers approximately 69 percent of the service sector’s output, as measured by revenue reported in the 2017 Economic Census.

For purposes of this proposal, the relevant industry-specific PPI is the

Data Processing, hosting and related services (“Data PPI”) and more particularly the more granular service line Data Processing, Hosting and Related Services: Hosting, Active Server Pages (ASP), and Other Information Technology (IT) Infrastructure Provisioning Services.<sup>14</sup>

The Data PPI was introduced in January 2002 by the Bureau of Labor Statistics (“BLS”) as part of an ongoing effort to expand Producer Price Index coverage of the services sector of the U.S. economy and is identified as NAICS–518210 in the North American Industry Classification System (“NAICS”).<sup>15</sup> According to the BLS “[t]he primary output of NAICS 518210 is the provision of electronic data processing services. In the broadest sense, computer services companies help their customers efficiently use technology. The processing services market consists of vendors who use their own computer systems—often utilizing proprietary software—to process customers’ transactions and data. Price movements for the NAICS 518210 index are based on changes in the revenue received by companies that provide data processing services and price movements for the service line NAICS 518210 index are based on changes in the revenue received by companies that provide, among other things, IT infrastructure provisioning services. Each month, companies provide net transaction prices for a specified service. The transaction is an actual contract selected by probability, where the price-determining characteristics are held constant while the service is repriced. The prices used in index calculation are the actual prices billed for the selected service contract.”<sup>16</sup>

The service (product) lines for which price indexes are available under the Data PPI are: (1) business process management services (2) data

management and storage information transformation and other services and (3) hosting ASP and other IT infrastructure provisioning services. The most apt of these industry and product specific categorizations for purposes of this present proposal to modify fees for the 10 Gb physical port fee measures inflation for the provision of data processing, hosting and related services as well as other information technology infrastructure provisioning services which BLS identifies as identified as NAICS–5182105.<sup>17</sup> The Exchange believes that this measure of inflation is particularly appropriate because the Exchange’s connectivity services involve hosting and providing connections to its customers’ telecommunications and information technology equipment, as well as preparing, assigning, and activating IT infrastructure components, such as servers, storage, and network connectivity. The Exchange also uses its “proprietary software,” *i.e.*, its own proprietary matching engine software, to receive orders on the Exchange’s proprietary trading platform as well as to collect, organize, store and report customers’ transactions. In other words, the Exchange is in the business of data processing, hosting, ASP, and providing other IT infrastructure provisioning services. Specifically, within this category, the Exchange points to the financial business process management services category under the umbrella of data processing.<sup>18</sup> The financial business process management services is described as “providing a bundled service package that combines information-technology-intensive services with labor (manual or professional depending on the solution), machinery, and facilities to support, host and manage a financial business process for a client, such as financial transaction processing, credit card processing, payment services, and lending services.”<sup>19</sup> The Exchange’s connectivity service provides connections to its customers’ telecommunications and information technology equipment, as well as preparing, assigning, and activating IT infrastructure components to facilitate the transmission of orders and receipt of financial transactions for its customers’ while connected to the Exchange.

Further, the Exchange believes that this specific index is best suited to guide this price increase as it reflects

<sup>9</sup> *Id.*

<sup>10</sup> 15 U.S.C. 78f(b)(4).

<sup>11</sup> See *e.g.*, The Nasdaq Stock Market LLC (“Nasdaq”), General 8, Connectivity to the Exchange. Nasdaq and its affiliated exchanges charge a monthly fee of \$15,000 for each 10 Gbps Ultra fiber connection to the respective exchange, which is analogous to the Exchange’s 10 Gbps physical port. See also New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago Inc., NYSE National, Inc. Connectivity Fee Schedule, which provides that 10 Gbps LX LCN Circuits (which are analogous to the Exchange’s 10 Gbps physical port) are assessed \$22,000 per month, per port.

<sup>12</sup> See <https://www.bls.gov/ppi/overview.htm>.

<sup>13</sup> *Id.*

<sup>14</sup> Provisioning is the process of preparing, assigning, and activating IT infrastructure components, such as servers, storage, and network connectivity, according to user requirements. It is a critical part of IT operations, as it ensures that computing resources are available when needed and that they are set up and connected to work correctly.

<sup>15</sup> See <https://www.bls.gov/ppi/overview.htm>. Among the industry-specific PPIs is for North American Industry Classification System (“NAICS”) Code 518210: “Data Processing and Related Services,” NAICS index codes categorize products and services that are common to particular industries. According to BLS, these codes “provide comparability with a wide assortment of industry-based data for other economic programs, including productivity, production, employment, wages, and earnings.”

<sup>16</sup> See <https://www.bls.gov/ppi/factsheets/producer-price-index-for-the-data-processing-and-related-services-industry-naics-518210.htm>.

<sup>17</sup> See <https://data.bls.gov/timeseries/PCU5182105182105>.

<sup>18</sup> See <https://voorburggroup.org/Documents/2018%20Rome/Papers/1014.pdf>.

<sup>19</sup> *Id.*

the change in this specific instance over the last seven years instead of looking at the underlying components of the service. PPI has published broad guidance regarding price adjustments for contracts,<sup>20</sup> and within this it noted that contracting parties should choose an index or group of indexes that represent the cost for providing a particular product or service, rather than an index for the product itself.<sup>21</sup> While this helps a contracting seller avoid a circumstance where it is unable to raise its price for the product itself if the underlying components have increased and the PPI for the product itself has not yet increased—this is not the case here. The Exchange instead is using historical data over a seven-year period as a reference point for its proposed increase moving forward—underlying components that have increased over the course of seven years have since (by and large) been reflected in the product itself.

The Exchange further believes the Data PPI is an appropriate measure for purposes of the proposed rule change on the basis that it is a stable metric with limited volatility, unlike other consumer-side inflation metrics. In fact, the Data PPI has not experienced a greater than 2.16% increase for any one calendar year period since Data PPI was introduced into the PPI in January 2002. For example, the average calendar year change from January 2002 to December 2023 was .62%, with a cumulative increase of 15.67% over this 21-year period. The Exchange believes the Data PPI is considerably less volatile than other inflation metrics such as CPI, which has had individual calendar-year increases of more than 6.5%, and a cumulative increase of over 73% over the same period.<sup>22</sup>

As noted above, the current 10 Gb physical port fee remained unchanged for almost seven years, particularly since June 2018.<sup>23</sup> Since its last increase almost 7 years ago however, there has been notable inflation, including under the industry- and product-specific PPI, which as described above is a tailored

measure of inflation. Particularly, the Hosting, ASP and other IT Infrastructure Provisioning Services inflation measure had a starting value of 102.2 in June 2018 (the month the Exchange started assessing the current fee) and an ending value of 118.502 in January 2025, representing a 16% increase.<sup>24</sup> This indicates that companies who are also in the hosting ASP and other IT infrastructure provisioning services have generally increased prices for a specified service covered under NAICS 5182105 by an average of 16% during this period.

The Exchange also believes that it is reasonable to increase its fees to compensate for inflation because, over time, inflation has degraded the value of each dollar that the Exchange collects in fees, such that the real revenue collected today is considerably less than that same revenue collected in 2018. The impact of this inflationary effect is also independent of any change in the Exchange's costs in providing its goods and services. The Exchange therefore believes that it is reasonable for it to offset, in part, this erosion in the value of the revenues it collects. Additionally, the Exchange historically does not increase fees every year notwithstanding inflation.<sup>25</sup> Other exchanges have also filed for increases in certain fees, based in part on comparisons to inflation.<sup>26</sup> Accordingly, based on the above-described percentage change based on an industry- and product-specific inflationary measure, and in conjunction with the rationale further described above and below, the Exchange believes the proposed fee increase is reasonable.

Next, the Exchange believes significant investments into, and enhanced performance of, the Exchange, in the years following the last 10 Gb physical port fee increase support the reasonableness of the proposed fee increase. These investments enhanced the quality of its services, as measured by, among other things, increased throughput and faster processing

speeds. Customers have therefore greatly benefitted from these investments, while the Exchange's ability to recoup its investments has been hampered.

For example, the Exchange and its affiliated exchanges recently launched a multi-year initiative to improve Cboe Exchange Platform performance and capacity requirements to increase competitiveness, support growth and advance a consistent world class platform. The goal of the project, among other things, is to provide faster and more consistent order handling and matching performance for options, while ensuring quicker processing time and supporting increasing volumes and capacity needs. For example, the Exchange recently performed switch hardware upgrades. Particularly, the Exchange replaced existing customer access switches with newer models, which the Exchange believes resulted in increased determinism. The recent switch upgrades also increased the Exchange's capacity to accommodate more physical ports by nearly 50%. Network bandwidth was also increased nearly two-fold as a result of the upgrades, which among other things, can lead to reduce message queuing. The Exchange also believes these newer models result in less natural variance in the processing of messages. The Exchange notes that it incurred costs associated with purchasing and upgrading to these newer models, of which the Exchange has not otherwise passed through or offset.

As of April 1, 2024, market participants also having the option of connecting to a new data center (*i.e.*, Secaucus NY6 Data Center ("NY6")), in addition to the current data centers at NY4 and NY5. The Exchange made NY6 available in response to customer requests in connection with their need for additional space and capacity. In order to make this space available, the Exchange expended significant resources to prepare this space, and will also incur ongoing costs with respect to maintaining this offering, including costs related to power, space, fiber, cabinets, panels, labor and maintenance of racks. The Exchange also incurred a large cost with respect to ensuring NY6 would be latency equalized, as it is for NY4 and NY5.

The Exchange also has made various other improvements since the current physical port rates were adopted in 2018. For example, the Exchange has updated its customer portal to provide more transparency with respect to firms' respective connectivity subscriptions, enabling them to better monitor, evaluate and adjust their connections

<sup>20</sup> See <https://www.bls.gov/ppi/publications/price-adjustment-guide-for-contracting-parties.htm#FOOT5>.

<sup>21</sup> "For example, if an apparel manufacturer were contracting for long-term purchases with a producer of finished fabrics, it would be more advisable to tie the price adjustment clause to a PPI for synthetic fibers, processed yarns and threads, or greige fabrics (raw fabric), rather than to a PPI for a type of finished fabric." *Id.*

<sup>22</sup> See <https://www.usinflationcalculator.com/inflation/consumer-price-index-and-annual-percent-changes-from-1913-to-2008/>.

<sup>23</sup> See Securities and Exchange Release No. 83441 (June 14, 2018), 83 FR 28684 (June 20, 2018) (SR-CboeBYX-2018-006).

<sup>24</sup> See <https://data.bls.gov/timeseries/PCU5182105182105>.

<sup>25</sup> As the Exchange historically does not increase fees every year notwithstanding inflation, the Exchange believes that the more specific index is appropriate to look at as it is reflective of the cumulative increase over the course of almost seven years. While the PPI has published guidance that a broader index may be more helpful to reference in a contract to avoid large swings on a shorter duration (and to which such a swing over a brief duration may trigger additional obligations), the Exchange, in contrast, is instead looking forward to adjust its price to reflect changes in the industry over the past seven years. See *supra* note 20.

<sup>26</sup> See, e.g., Securities Exchange Act Release Nos. 34-100994 (September 10, 2024), 89 FR 75612 (September 16, 2024) (SR-NYSEARCA-2024-79).

based on their evolving business needs. The Exchange also performs proactive audits on a weekly basis to ensure that all customer cross connects continue to fall within allowable tolerances for Latency Equalized connections. Accordingly, the Exchange expended, and will continue to expend, resources to innovate and modernize technology so that it may benefit its Members and continue to compete among other equities markets. The ability to continue to innovate with technology and offer new products to market participants allows the Exchange to remain competitive in the equities space which currently has 16 equities markets and potential new entrants. If the Exchange were not able to assess incrementally higher fees for its connectivity, it would effectively impact how the Exchange manages its technology and hamper the Exchange's ability to continue to invest in and fund access services in a manner that allows it to meet existing and anticipated access demands of market participants. Disapproval of fee changes such as the proposal herein, could also have the adverse effect of discouraging an exchange from improving its operations and implementing innovative technology to the benefit of market participants if it believes the Commission would later prevent that exchange from recouping costs and monetizing its operational enhancements, thus adversely impacting competition as well as the interests of market participants and investors.

Finally, the proposed fee is also the same as is concurrently being proposed for its Affiliate Exchanges. Further, Members are able to utilize a single port to connect to all of its Affiliate Exchanges and will only be charged one single fee (*i.e.*, a market participant will only be assessed the proposed \$8,500 even if it uses that physical port to connect to the Exchange and another (or even all 6) of its Affiliate Exchanges. Particularly, the Exchange believes the proposed monthly per port fee is reasonable, equitable and not unfairly discriminatory since as the Exchange has determined to not charge multiple fees for the same port. Indeed, the Exchange notes that several ports are in fact purchased and utilized across one or more of the Exchange's affiliated Exchanges (and charged only once).

The Exchange also believes that the proposed fee change is not unfairly discriminatory because it would be assessed uniformly across all market participants that purchase the physical ports. The Exchange believes increasing the fee for 10 Gb physical ports and charging a higher fee as compared to the

1 Gb physical port is equitable as the 1 Gb physical port is 1/10th the size of the 10 Gb physical port and therefore does not offer access to many of the products and services offered by the Exchange (*e.g.*, ability to receive certain market data products). Thus, the value of the 1 Gb alternative is lower than the value of the 10 Gb alternative, when measured based on the type of Exchange access it offers. Moreover, market participants that purchase 10 Gb physical ports utilize the most bandwidth and therefore consume the most resources from the network. The Exchange also anticipates that firms that utilize 10 Gb ports will benefit the most from the Exchange's investment in offering NY6 as the Exchange anticipates there will be much higher quantities of 10 Gb physical ports connecting from NY6 as compared to 1 Gb ports. Indeed, the Exchange notes that 10 Gb physical ports account for approximately 90% of physical ports across the NY4, NY5, and NY6 data centers, and to date, 80% of new port connections in NY6 are 10 Gb ports. As such, the Exchange believes the proposed fee change for 10 Gb physical ports is reasonably and appropriately allocated.

#### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed fee change will not impact intramarket competition because it will apply to all similarly situated Members equally (*i.e.*, all market participants that choose to purchase the 10 Gb physical port). Additionally, the Exchange does not believe its proposed pricing will impose a barrier to entry to smaller participants and notes that its proposed connectivity pricing is associated with relative usage of the various market participants. For example, market participants with modest capacity needs can continue to buy the less expensive 1 Gb physical port (which cost is not changing) or may choose to obtain access via a third-party re-seller. While pricing may be increased for the larger capacity physical ports, such options provide far more capacity and are purchased by those that consume more resources from the network. Accordingly, the proposed connectivity fees do not favor certain categories of market participants in a manner that would impose a burden on competition; rather, the allocation reflects the network resources consumed by the various size of market participants—lowest bandwidth consuming members

pay the least, and highest bandwidth consuming members pays the most.

The proposed fee change also does not impose a burden on competition or on other Self-Regulatory Organizations that is not necessary or appropriate. As described above, the Exchange evaluated its proposed fee change using objective and stable metric with limited volatility. Utilizing Data Processing PPI over a specified period of time is a reasonable means of recouping a portion of the Exchange's investment in maintaining and enhancing the connectivity service identified above. The Exchange believes utilizing Data Processing PPI, a tailored measure of inflation, to increase certain connectivity fees to recoup the Exchange's investment in maintaining and enhancing its services and products would not impose a burden on competition.

#### *C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange neither solicited nor received comments on the proposed rule change.

### **III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>27</sup> and paragraph (f) of Rule 19b-4<sup>28</sup> thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

### **IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

#### *Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or

<sup>27</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>28</sup> 17 CFR 240.19b-4(f).

• Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR–CboeBYX–2025–006 on the subject line.

#### Paper Comments

• Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.

All submissions should refer to file number SR–CboeBYX–2025–006. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR–CboeBYX–2025–006 and should be submitted on or before April 17, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>29</sup>

**J. Matthew DeLesDernier,**

*Deputy Secretary.*

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**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–102713; File No. SR–FICC–2025–006]

### Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Filing of Proposed Rule Change Relating to a Participant System Disruption

March 21, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) <sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> notice is hereby given that on March 14, 2025, Fixed Income Clearing Corporation (“FICC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the clearing agency. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of amendments to Rule 50A of the FICC Government Securities Division (“FICC–GSD”) Rulebook and Rule 40A of the FICC Mortgage-Backed Securities Division (“FICC–MBSD”) Clearing Rules (Systems Disconnect: Threat of Significant Impact to the Corporation's Systems). FICC's two affiliate clearing agencies, National Securities Clearing Corporation (“NSCC”) and The Depository Trust Company (“DTC,” and together with NSCC and FICC, the “Clearing Agencies,” or “Clearing Agency” when referring to one of any of the three Clearing Agencies) <sup>3</sup> will each file with the Commission substantively similar proposals to amend their corresponding rules: Rule 60A of the NSCC Rules & Procedures and Rule 38(A) of the Rules, By-Laws and Organization Certificate of DTC (collectively with FICC–GSD Rule 50A and FICC–MBSD Rule 40A, the “Disruption Rules”).<sup>4</sup> Accordingly, each respective filing is written from the

perspective of the Clearing Agencies, collectively, instead of FICC, NSCC, and DTC individually, but application of the proposed rule changes would only apply to the DTCC Systems Participant (as defined below) of the corresponding Clearing Agency or Clearing Agencies.<sup>5</sup>

In addition, FICC proposes to make an administrative change to Article III, Rule 1, Section 5 of the FICC–MBSD EPN Rules (“EPN Rules”) to reflect the proposed new name of FICC–MBSD Rule 40A, as described below.

The current Disruption Rules contain provisions identifying the events or circumstances that would be considered a Major Event<sup>6</sup> or Systems Disruption.<sup>7</sup> During the pendency of a Major Event, the Disruption Rules authorize the Clearing Agencies to take certain actions, within a prescribed governance framework, to mitigate the effect of the Major Event on the Clearing Agencies, their respective members or participants as defined in the respective rules of the applicable Clearing Agency (hereinafter, “Respective Participants”),<sup>8</sup> their Affiliates, and the industry more broadly.

The proposed rule changes would (i) update and add definitions used throughout the Disruption Rules; (ii) update the provisions and governance for declaring a Major Event (which would be redefined as a Major System Event<sup>9</sup>); (iii) clarify and enhance the

<sup>5</sup> Capitalized terms not otherwise defined herein have the meaning as set forth in the respective rules of the Clearing Agencies, available at <https://www.dtcc.com/legal/rules-and-procedures>.

<sup>6</sup> “Major Event” is currently defined in the Disruption Rules as, “the happening of one or more System Disruption(s) that is reasonably likely to have a significant impact on the Corporation's operations, including the DTCC Systems, that affect the business, operations, safeguarding of securities or funds, or physical functions of the Corporation, [Respective Participants] and/or other market participants.” Disruption Rules, *supra* note 2, Section 1.

<sup>7</sup> “Systems Disruption” is currently defined in the Disruption Rules as, “the unavailability, failure, malfunction, overload, or restriction (whether partial or total) of a DTCC Systems Participant's systems that disrupts or degrades the normal operation of such DTCC Systems Participant's systems; or anything that impacts or alters the normal communication, or the files that are received, or information transmitted, to or from the DTCC Systems.” Disruption Rules, *supra* note 2, Section 1.

<sup>8</sup> Under the current Disruption Rules, Respective Participants for NSCC are Members and Limited Members; for DTC, Participants; for FICC–GSD and FICC–MBSD, Members. Under the proposed changes to the Disruption Rules, as referenced herein, Respective Participants for NSCC will be Members, Limited Members, and Sponsored Members; for DTC, Participants, Limited Participants, and Pledges; for FICC–GSD, Netting Members, CCIT Members, Comparison Only Members, and Funds-Only Settling Bank Members; and for FICC–MBSD, Members, Clearing Members, and Cash Settling Bank Members.

<sup>9</sup> Pursuant to this proposed rule change, Major Event would be deleted and replaced with “Major

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> The Clearing Agencies are each a subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC operates on a shared service model with respect to the Clearing Agencies. Most corporate functions are established and managed on an enterprise-wide basis pursuant to intercompany agreements under which it is generally DTCC that provides relevant services to the Clearing Agencies.

<sup>4</sup> Each Disruption Rule is publicly available in the respective rules of the applicable Clearing Agency at <https://www.dtcc.com/legal/rules-and-procedures>.

<sup>29</sup> 17 CFR 200.30–3(a)(12).

requirements of the DTCC Systems Participant<sup>10</sup> to notify the Clearing Agencies of a Systems Disruption (which would be redefined as a Participant System Disruption<sup>11</sup>); (iv) add provisions incorporating the reporting, testing, and approval requirements, process, legal obligations, and governance necessary for “reconnection” (as defined by this proposed rule change)<sup>12</sup> of a DTCC Systems Participant that was “disconnected” from DTCC Systems<sup>13</sup> pursuant to a Disruption Rule; and (v) make technical, ministerial, and other conforming and clarifying changes,

System Event,” to be defined as, “a Participant System Disruption that has or is reasonably anticipated to, for example, disrupt, degrade, cause a delay in, interrupt or otherwise alter the normal operation of DTCC Systems; result in unauthorized access to DTCC Systems; result in the loss of control of, disclosure of, or loss of DTCC Confidential Information; or cause a strain on, loss of, or overall threat to the Corporation’s resources, functions, security or operations.”

<sup>10</sup> “DTCC Systems Participant” is currently defined in the Disruption Rules as, “a [Respective Participant] or third party service provider, or service bureau that is connecting with the DTCC Systems.” Disruption Rules, *supra* note 2, Section 1. Pursuant to this proposed rule change, DTCC Systems Participant would be redefined in the Disruption Rules as, “(A) any [Respective Participant], or an Affiliate of any [Respective Participant], that directly or indirectly connects with DTCC Systems; or (B) any third-party service provider, service bureau, or other similar entity that directly or indirectly connects with DTCC Systems on behalf of or for the benefit of any [Respective Participant], or an Affiliate of any [Respective Participant].”

<sup>11</sup> Pursuant to this proposed rule change, Systems Disruption would be deleted and replaced with “Participant System Disruption,” to be defined as, “the actual or reasonably anticipated unauthorized access to, or unavailability, failure, malfunction, overload, corruption, or restriction (whether partial or total) of one or more systems of a DTCC Systems Participant.”

<sup>12</sup> Pursuant to this proposed rule change, “Reconnection” would be defined as the reestablishment of connectivity between DTCC Systems and the DTCC Systems Participant that was the subject of action taken pursuant to a Disruption Rule.

<sup>13</sup> “DTCC Systems” is currently defined in the Disruption Rules as, “the systems, equipment and technology networks of DTCC, the Corporation and/or their Affiliates, whether owned, leased, or licensed, software, devices, IP addresses, or other addresses or accounts used in connection with providing the services set forth in the Rules, or used to transact business or to manage the connection with the Corporation.” Disruption Rules, *supra* note 2, Section 1. Pursuant to this proposed rule change, the definition would be updated to mean “the systems, equipment and technology networks of DTCC, the Corporation and/or any Affiliates of DTCC or the Corporation, whether owned, leased, or licensed, and including software, hardware, applications, devices, IP addresses, or other addresses or accounts used in connection with such systems, equipment and technology networks, to provide the services set forth in these [Rules & Procedures/Rules and the Procedures/Rules], or otherwise used to transact business or connect with DTCC, the Corporation, or any Affiliates of DTCC or the Corporation.”

including updating the name of the Disruption Rules.

Finally, the proposal also includes an administrative change to Article III, Rule 1, Section 5 of the EPN Rules to reflect the proposed change to the name of the Disruption Rules.

## II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the clearing agency included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The clearing agency has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

### (A) Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

#### 1. Purpose

The purpose of the proposed rule change is to amend the Disruption Rules. Accordingly, each respective filing is written from the perspective of the Clearing Agencies, collectively, instead of DTC, FICC, or NSCC individually, but application of the proposed rule changes would only apply to the DTCC Systems Participant of the corresponding Clearing Agency or Clearing Agencies.

In addition, FICC proposes to make an administrative change to Article III, Rule 1, Section 5 of the EPN Rules to reflect the proposed new name of FICC–MBS D Rule 40A, as described below.

The current Disruption Rules contain provisions identifying the events or circumstances that would be considered a Major Event or Systems Disruption. During the pendency of a Major Event, the Disruption Rules authorize the Clearing Agencies to take certain actions, within a prescribed governance framework, to mitigate the effect of the Major Event on the Clearing Agencies, their Respective Participants, their Affiliates, and the industry more broadly.

The proposed rule changes would (i) update and add definitions used throughout the Disruption Rules; (ii) update the provisions and governance for declaring a Major Event (which would be redefined as a Major System Event); (iii) clarify and enhance the requirements of the DTCC Systems Participant to notify the Clearing Agencies of a Systems Disruption (which would be redefined as a

Participant System Disruption); (iv) add provisions incorporating the reporting, testing, and approval requirements, process, legal obligations, and governance necessary for “reconnection” (as defined by this proposed rule change) of a DTCC Systems Participant that was “disconnected” from DTCC Systems pursuant to a Disruption Rule; and (v) make technical, ministerial, and other conforming and clarifying changes, including updating the name of the Disruption Rules, each of which is described in greater detail below.

Finally, the proposal also includes an administrative change to Article III, Rule 1, Section 5 of the EPN Rules to reflect the proposed change to the name of the Disruption Rules.

#### Background—Current Disruption Rules

The current Disruption Rules were implemented by the Clearing Agencies on October 8, 2021.<sup>14</sup> Pursuant to the Disruption Rules, the Clearing Agencies are entitled to take action to help mitigate risk when there is a reasonable basis for the Clearing Agencies to conclude that there is a Major Event, as determined by one of the persons listed in the rules and then ratified, modified, or rescinded within five Business Days by the Clearing Agencies’ management committee on which such listed persons serve, and the Clearing Agencies’ Board of Directors (“Board”).<sup>15</sup>

During a Major Event, the Disruption Rules authorize the Clearing Agencies to (i) disconnect the subject DTCC Systems Participant from DTCC Systems; (ii) suspend the receipt and/or transmission of files or communications to/from the DTCC Systems Participant and DTCC Systems; or (iii) take, or refrain from taking, or require a DTCC Systems Participant to take, or refrain from taking, any actions the Clearing Agencies consider appropriate to prevent, address, correct, alleviate, or mitigate the event and facilitate the continuation of the Clearing Agencies’ services as may be practicable.<sup>16</sup>

The Disruption Rules also require the DTCC Systems Participant to immediately notify the Clearing Agencies when they become aware of a Major Event, to cooperate with the Clearing Agencies in addressing the Major Event, and that the Clearing Agencies notify a DTCC Systems

<sup>14</sup> Securities Exchange Act Release Nos. 93278 (Oct. 8, 2021), 86 FR 57229 (Oct. 14, 2021) (SR–NSCC–2021–007); 93280 (Oct. 8, 2021), 86 FR 57208 (Oct. 14, 2021) (SR–FICC–2021–004); 93279 (Oct. 8, 2021), 86 FR 57221 (Oct. 14, 2021) (SR–DTC–2021–011).

<sup>15</sup> Disruption Rules, *supra* note 4, Section 2.

<sup>16</sup> *Id.* at Section 3.

Participant of any action that the Clearing Agencies take, or intend to take, against the Respective Participant under the rule.<sup>17</sup>

Finally, the Disruption Rules provide certain indemnities, clarify powers available to the Clearing Agencies under the Disruption Rules, highlight confidentiality requirements, and include a conflicts provision.<sup>18</sup>

Based on the Clearing Agencies' experience applying the Disruption Rules, they are proposing a number of changes, as noted above and described in detail below, to make the rules more efficient, effective, and clear in their governance, authorities, application, and requirements, so that the Clearing Agencies are better situated to address the events that require action under the rules to protect the Clearing Agencies, and their Respective Participants, Affiliates, and the industry more broadly. The proposed changes also would enable a DTCC Systems Participant to better understand and prepare for their obligations to the Clearing Agencies in the event that they experience a Participant System Disruption.

#### Proposed Rule Changes

First, the Clearing Agencies propose to rename Section 1 of the Disruption Rules from "Major Event" to "Definitions," which more accurately states its purpose, and then update and add definitions to the section. In addition to various technical, ministerial, and other conforming and clarifying changes to existing definitions, the Clearing Agencies propose the following changes:

- Update the existing definition of "DTCC Systems" to include systems, equipment and technology networks of all DTCC Affiliates and expand the types of systems connectivity to include hardware and applications such that, in the event of a Participant System Disruption, all of DTCC's potentially impacted connections, and any means of connectivity, are incorporated into such definition.

- Broaden the existing definition of "DTCC Systems Participant" to include a more specific list of Respective Participants and Affiliates thereof, as well as entities that are similar to third-party service providers or service bureaus, which are already covered by the rule, that directly or indirectly connect with DTCC Systems on behalf of or for the benefit of one of the Respective Participants. This proposed change is necessary to be more specific

about the type of Respective Participants subject to the rule and because in the Clearing Agencies' experience, Affiliates and third parties may share systems that are directly or indirectly connected to DTCC Systems, such that if, for example, a Respective Participant is experiencing a Participant System Disruption, an Affiliate or third party may be experiencing the same. Therefore, it is important to include these additional entities to address the risk they present.

- Add the definition "Best Practices" to mean, the "policies, procedures, practices or similar standards and guidelines that are reasonably designed and consistent with then current financial-sector cybersecurity standards issued by an authoritative body that is a U.S. governmental entity or agency, an association of a U.S. governmental entity or agency, or a widely recognized industry organization." The purpose of adding this definition is to clearly state the standards that the Clearing Agencies would require a Third-Party Cybersecurity Firm (as defined below) to employ when such firm is engaged, as would be required by the Disruption Rules and discussed further below. Much of the language of this proposed definition comes directly from Section 1001(a)(4) of the Commission's Regulation Systems Compliance and Integrity ("Reg SCI").<sup>19</sup>

- Delete the existing definition "Major Event" and replace it with the definition "Major System Event" to mean, "a Participant System Disruption that has or is reasonably anticipated to, for example, disrupt, degrade, cause a delay in, interrupt or otherwise alter the normal operation of DTCC Systems; result in unauthorized access to DTCC Systems; result in the loss of control of, disclosure of, or loss of DTCC Confidential Information; or cause a strain on, loss of, or overall threat to the Corporation's resources, functions, security or operations." Although the new definition is similar to the prior definition, the new definition more appropriately ties the disruption at issue to the effect on the normal operation of DTCC Systems and less so on any subsequent effect to the Clearing Agencies' operations.

- Add the definition "Third-Party Cybersecurity Firm" to mean, "a firm that, in [the Clearing Agencies'] reasonable judgement, (A) (i) is well-known and reputable; (ii) is not affiliated with DTCC, [the Clearing Agencies], an Affiliate of DTCC or [the Clearing Agencies], a DTCC Systems Participant, or an Affiliate of a DTCC

Systems Participant; (iii) specializes in financial-sector cybersecurity; and (iv) employs Best Practices; or (B) is otherwise determined to be a Third-Party Cybersecurity Firm by [the Clearing Agencies]." The purpose of adding this definition is to clearly state the type of firm that the Clearing Agencies would require the subject DTCC Systems Participant to engage under the Disruption Rules, as discussed further below.

- Delete the existing definition "Systems Disruption" and replace it with the definition "Participant System Disruption" to mean, "the actual or reasonably anticipated unauthorized access to, or unavailability, failure, malfunction, overload, corruption, or restriction (whether partial or total) of one or more systems of a DTCC Systems Participant." Although similar to the existing definition, the new definition focuses more appropriately on what has actually happened, or is reasonably anticipated to happen, to the DTCC Systems Participant system, and less on subsequent operation of the system. For example, it is possible that a DTCC Systems Participant system is corrupted or compromised, but that corruption or compromise has not affected the normal operation of the system at that time.

Second, the Clearing Agencies propose to move current Section 4 of the Disruption Rules up to create a new Section 2, which would be renamed "Notifications of a Participant System Disruption." This move would better align the structure of the Disruption Rules with the expected sequence of events of a Participant System Disruption.

The new Section 2 would delete the notification language of current Section 4 and replace it with enhanced notification requirements applicable to any DTCC Systems Participant, not only Respective Participants of the Clearing Agencies. More specifically, the Clearing Agencies propose that the subject DTCC Systems Participant, as defined in the proposed rule and above, provide the Clearing Agencies with immediate written notice, to include certain DTCC Systems Participant and Participant System Disruption information, if known, but in any event within two hours of experiencing or having actual knowledge, and legal permission to disclose such knowledge, of an unaffiliated DTCC Systems Participant that is experiencing a Participant System Disruption or is otherwise affected or potentially affected by the Participant System Disruption. The information required to be provided in the notice, if known, includes (i) the legal entity names of the

<sup>17</sup> *Id.* at Section 4.

<sup>18</sup> *Id.* at Section 5.

<sup>19</sup> 17 CFR 242.1001(a)(4).

subject DTCC Systems Participant experiencing or otherwise affected or potentially affected by the Participant System Disruption; (ii) contact information of key, applicable DTCC Systems Participant personnel and agents; and (iii) key details about the Participant System Disruption, such as event type, event effect, start date, end date (if applicable), discovery date, scope, and any other notices given, which would provide additional context regarding the Participant System Disruption.

The purpose of these proposed changes in the new Section 2 is to (i) enable a DTCC Systems Participant to better understand and prepare for their obligations to the Clearing Agencies in the event that they experience a Participant System Disruption; and (ii) facilitate the Clearing Agencies' timely receipt of key information that could enable a more efficient and effective review and response by the Clearing Agencies to a Participant System Disruption, all in an effort to help mitigate the risk presented by a Participant System Disruption.

Third, the Clearing Agencies propose to redesignate current Section 2 of the Disruption Rules as Section 3 and rename the section from "Powers of [the Clearing Agencies]" to "Declaration of a Major System Event," which would more accurately describe the purpose of the section. In addition to various technical, ministerial, and other conforming and clarifying changes to the new Section 3, the Clearing Agencies propose to no longer (i) provide a list of specific persons that may determine that the Clearing Agencies have a reasonable basis to conclude that there is a Major System Event, nor (ii) require, within five Business Days, that such determination be reviewed by a management committee on which all of such listed people serve, and the Board. Instead, the Clearing Agencies propose that such determination be made by two or more members of the Clearing Agencies' "senior most management committee,"<sup>20</sup> in their reasonable judgement, and then, after such determination is made, the Board, any remaining members of that senior

management committee, and the Commission be promptly notified<sup>21</sup> of such determination.

In addition, the Clearing Agencies propose to provide the Board an update on the status of the Major System Event and any action taken pursuant to the Disruption Rules on the earlier of 45 calendar days from the date of declaration of the Major System Event or the next scheduled Board meeting, or more frequently following material changes to the status of a Major System Event.

The purpose of these changes is multifaceted. One, it shifts the authority to make such a determination from only one of the Clearing Agencies' most senior officers to two of the Clearing Agencies' most senior officers. Two, the proposed changes eliminate two subsequent reviews, after the determination is already made, that are administratively burdensome and may complicate managing the event in terms of ratifying, modifying, or rescinding the disconnection of a DTCC Systems Participant that has already happened. Instead, the proposed changes would set clear communication standards and provide more timely transparency to the remaining senior most management committee members, the Board, and the Commission, which could still act in response to the notice without the need for formal meetings pursuant to the Disruption Rules.

Fourth, the Clearing Agencies propose to redesignate current Section 3 of the Disruption Rules as Section 4, "Authority to Take Action and Required Cooperation," and make other various technical, ministerial, conforming, and clarifying changes to the section. Additionally, the Clearing Agencies propose to clarify and broaden, in what would be Subsections 4(a)(i) and (ii), the systems of the subject DTCC Systems Participant that can be disconnected and the transmissions, communications, or access that can be suspended. The purpose of these changes is to help ensure that the Clearing Agencies can adequately address all potential connectivity and communication types for each DTCC Systems Participant in an effort to help mitigate the risk presented by the Participant System Disruption and associated Major System Event.

New Subsection 4(a)(iii) would continue to provide from current Subsection 3(c) of the Disruption Rules<sup>22</sup> the authority for the Clearing Agencies to (A) act or not act, or require

the subject DTCC Systems Participant to act or not act, as the Clearing Agencies consider appropriate to help mitigate the risk of the Major System Event, as well as (B) facilitate the continuation of services of the subject DTCC Systems Participant, as appropriate and practical, which may require issuing instructions to the DTCC Systems Participant and, as proposed, requiring such instructions to be followed. The Clearing Agencies believe adding the requirement that their instructions be followed is important not only to help facilitate the continuation of services for the subject DTCC Systems Participant but also for any downstream effects that may have or could have resulted from the disruption.

For new Subsection 4(b), the Clearing Agencies propose to reinstate language from current Subsection 4(b), which, as described above, would be deleted as part of the proposed move of all of current Section 4 up to new Section 2. Specifically, the Clearing Agencies propose to reinstate similar language that states they will promptly notify the subject DTCC Systems Participant of any disconnection, suspension, or other material action the Clearing Agencies take with respect to such DTCC Systems Participant pursuant to the authority provided in new Section 4. Additionally, the Clearing Agencies propose to add new language to clarify that notwithstanding any action the Clearing Agencies take pursuant to new Section 4, the subject DTCC Systems Participant must continue to meet its obligations to the Clearing Agencies and comply with their rules, as applicable.

The Clearing Agencies also propose to add a new Subsection (c) to new Section 4. Proposed Subsection 4(c) would expand upon the cooperation requirement in current Section 4(a) of the Disruption Rules to require the DTCC Systems Participant to cooperate "fully and completely" with the Clearing Agencies, to the Clearing Agencies' reasonable satisfaction, regarding the Participant System Disruption in whole, instead of limiting such cooperation to the root cause and resolution. Such cooperation would include, for example, (i) conducting timely investigations and inquiries relating to the Participant System Disruption; (ii) promptly notifying the Clearing Agencies of any material changes, updates, or new information learned regarding the Participant System Disruption; and (iii) to the extent legally permitted, promptly providing any documentation or information requested by the Clearing Agencies regarding the Participant System Disruption.

<sup>20</sup> The current "senior most management committee" of the Clearing Agencies is the Executive Committee, which includes each of the six persons listed in the existing Disruption Rules that can determine the existence of a Major Event (*i.e.*, the Chief Executive Officer, the Chief Financial Officer, the Group Chief Risk Officer, the Chief Information Officer, the Head of Clearing Agency Services, and the General Counsel), plus the Chief Client Officer, Global Head of DTCC Digital Assets, Head of Enterprise Services, and the Chief Human Resources Officer.

<sup>21</sup> "Prompt notification" means the notification is to be made without undue or unreasonable delay, as is consistent with the use of "prompt" in Reg SCL.

<sup>22</sup> Disruption Rules, *supra* note 4, Section 3.

Fifth, the Clearing Agencies propose to insert a new Section 5 to the Disruption Rules titled “Reconnection Requirements.” This new Section 5 would set forth the information that the subject DTCC Systems Participant would be required to provide to the Clearing Agencies, in form and substance that is reasonably satisfactory to the Clearing Agencies,<sup>23</sup> prior to the Clearing Agencies “reconnecting” a disconnected DTCC Systems Participant. Specifically, the Clearing Agencies propose that they receive three things: (i) a detailed, comprehensive, and auditable report, from a Third-Party Cybersecurity Firm; (ii) an attestation from a Participant Officer of the DTCC Systems Participant;<sup>24</sup> and (iii) an executed indemnity from the DTCC Systems Participant to the reasonable satisfaction and judgement of the Clearing Agencies in consideration of the facts and circumstances.

As stated in proposed Subsection 5(a)(i), the Clearing Agencies would require the report by the Third-Party Cybersecurity Firm to include the following information:

- a timeline of the Participant System Disruption, including all material actions, events, and decisions taken for or relating to the Participant System Disruption;
- a description of the Participant System Disruption and how it was corrected and resolved;
- root cause analysis of the Participant System Disruption;
- confirmation that any severe, critical, or moderate items, or comparable categorizations, identified by the Third-Party Cybersecurity Firm have been resolved;
- confirmation of the normal or intended operation of the subject DTCC Systems Participant’s systems, including, but not limited to, the return or replacement of key systems and datastores to pre-Participant System Disruption resilience, in a safe, secure, and proper manner for at least 72 hours;
- a description of any short- and long-term preventive monitoring and detection recommendations by the Third-Party Cybersecurity Firm; and

- any other information reasonably requested to be included by the Clearing Agencies.

As stated in proposed Subsection 5(a)(ii), the Clearing Agencies would require the Participant Officer to attest to the following:

- the Third-Party Cybersecurity Firm’s report is, to the best of the Participant Officer’s knowledge, accurate and complete;
- all short-term preventive monitoring and detection controls recommended by the Third-Party Cybersecurity Firm have been implemented;
- all medium- and long-term preventive monitoring and detection controls recommended by the Third-Party Cybersecurity Firm will be promptly implemented;
- the Participant Officer recommends Reconnection to DTCC Systems; and
- the DTCC Systems Participant will continue to oversee remediation efforts and monitor the systems of the DTCC Systems Participant, and immediately, but in any event within two hours, notify the Clearing Agencies if there is any indication of the continuation of a Participant System Disruption or an existence of a new Participant System Disruption.

Lastly, Subsection 5(b) would require the subject DTCC Systems Participant to promptly provide, upon the applicable Clearing Agency’s request, any other documentation or information and/or require the subject DTCC Systems Participant to take other actions to the Clearing Agency’s reasonable satisfaction, including obtaining a second Third-Party Cybersecurity Firm onsite validation of the subject DTCC Systems Participant, all of which would be decided by the Clearing Agency in consideration of the facts and circumstances.

The purpose of these proposed changes is to (i) provide each DTCC Systems Participant with notice of what information they would need to provide to the Clearing Agencies in order to be Reconnected under the Disruption Rules; (ii) ensure that the Clearing Agencies have all the necessary information regarding the Participant System Disruption and its remediation from an independent, reputable, and knowledgeable third party, so that the Clearing Agencies can make an informed decision about whether Reconnection is appropriate; (iii) confirm that an appropriate senior officer at the subject DTCC Systems Participant is sufficiently informed and responsible for the DTCC Systems Participant’s systems and the information being provided to the

Clearing Agencies; and (iv) ensure that the Clearing Agencies are properly indemnified for actions or inactions, as needed, all to help mitigate the risk presented by a Reconnection.

Sixth, the Clearing Agencies propose to insert a new Section 6 titled “Reconnection Testing and Approval.” New Section 6 would do two things. First, Subsection 6(a) would require, prior to approval of the Reconnection, that the subject DTCC Systems Participant demonstrate, as applicable, to the Clearing Agencies’ reasonable satisfaction, that it:

- can operate in a test environment, including, but not limited to, sending and receiving messages and transactions;
- can replay or resubmit previously submitted messages or transactions;
- can reverse or void previously submitted messages or transactions;
- can confirm the integrity of messages and transactions;
- has alternative communication methods with the Clearing Agency to facilitate the exchange of messages, transactions, and reports; and
- can complete any other such requirements as are reasonably requested by the Clearing Agencies.

Subsection 6(b) would authorize two or more members of the Clearing Agencies’ senior most management committee, in their reasonable judgement, to approve the Reconnection of a DTCC Systems Participant that was the subject of action taken pursuant to the Disruption Rules, after the Clearing Agencies have received and reviewed to their satisfaction all information believed necessary for a safe Reconnection and certain testing has occurred, pursuant to Subsection 6(a).

Similar to the governance process for determining a Major System Event, the Clearing Agencies believe it appropriate that approval of a Reconnection be made by at least two of the Clearing Agencies’ most senior officers to help ensure that information regarding the Reconnection has been escalated to the highest management level. But, it is essential that such approval not be made until the Clearing Agencies have (i) received, to their satisfaction, all necessary Participant System Disruption information and (ii) confirmed that the subject DTCC Systems Participant can safely perform the capabilities necessary for submitting, receiving, and correcting information appropriately, confidently, and in a manner unaffected by the Participant System Disruption, so as to help mitigate the risk presented by the Reconnection.

Seventh, the Clearing Agencies propose to redesignate current Section 5

<sup>23</sup> Whether the information provided is “reasonably satisfactory” would be a determination by the applicable Clearing Agency in consideration of the facts and circumstances, such as the severity of the disruption, thoroughness of and confidence in the information provided, any outstanding questions or concerns, etc., all within the context of reasonableness.

<sup>24</sup> Pursuant to this proposed rule change, “Participant Officer” would be defined as a member of the board of directors, a senior executive officer, or other member of senior management of the subject DTCC Systems Participant.

of the Disruption Rules as Section 7, which would continue to address “Certain Miscellaneous Matters.” In addition to various technical, ministerial, and other conforming and clarifying changes to newly designated Section 7, the Clearing Agencies propose to remove the existing “conflicts” provision and replace it with a “failure to comply” provision. The new “failure to comply” provision would authorize the Clearing Agencies to (i) subject a DTCC Systems Participant that is a Respective Participant to any and all disciplinary action permitted under the rules of the Clearing Agencies, if such Respective Participant fails to comply with the Disruption Rules; (ii) subject a DTCC Systems Participant that is not a Respective Participant to any and all actions, obligations, or rights permitted under any agreement made between the entity and the Clearing Agencies, if such entity fails to comply with the Disruption Rules; and (iii) require a DTCC Systems Participant that has authorized another party to access and use DTCC Systems to assume responsibility for such authorized party’s compliance or compliance failure. The purpose of these changes is to emphasize the importance in complying with the Disruption Rules and highlight the actions that the Clearing Agencies may take if there is a failure to comply, as applicable to the subject party.

Finally, the Clearing Agencies propose to rename the Disruption Rules from “Systems Disconnect: Threat of Significant Impact to [the Clearing Agencies’] Systems” to “Participant System Disruption,” which the Clearing Agencies believe is a more appropriate description of the rule, particularly in consideration of the proposed changes. Such name change requires Article III, Rule 1, Section 5 of the EPN Rules to be updated accordingly to reference the correct title associated with FICC–MBSD Rule 40A.

## 2. Statutory Basis

The Clearing Agencies believe that the proposal is consistent with the requirements of the Act and the rules and regulations thereunder applicable to each of the Clearing Agencies. In particular, the Clearing Agencies believe that the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act,<sup>25</sup> and Rules 17ad–22(e)(2) and (e)(17) promulgated under the Act,<sup>26</sup> as described below.

## Consistency With Section 17A(b)(3)(F)

Section 17A(b)(3)(F) of the Act<sup>27</sup> requires, in part, that the rules of the Clearing Agencies be designed to promote the prompt and accurate clearance and settlement of securities transactions, and to assure the safeguarding of securities and funds which are in the custody or control of the Clearing Agencies or for which they are responsible.

As described above, the proposed rule change would (i) update and add definitions used throughout the Disruption Rules; (ii) update the provisions and governance for declaring a Major System Event; (iii) clarify and enhance the requirements of a DTCC Systems Participant to notify the Clearing Agencies of a Participant System Disruption; (iv) add provisions incorporating the reporting, testing and approval requirements, process, and governance necessary to Reconnect a DTCC Systems Participant that was the subject of action pursuant to the Disruption Rules; and (v) make technical, ministerial, and other conforming and clarifying changes, including updating the name of and references to the Disruption Rules.

The Clearing Agencies believe that these proposed changes would enhance, clarify, streamline, and improve the Clearing Agencies’ ability to identify a Participant System Disruption, take action because of such disruption, and then appropriately and safely Reconnect a subject DTCC Systems Participant under the Disruption Rules. The Clearing Agencies also believe that the level of detail and clarity provided by the proposed changes provides greater transparency and notice to all parties that would be subject to the Disruption Rules. Ultimately, these proposed changes help mitigate risk and better protect the Clearing Agencies, their Respective Participants, each DTCC Systems Participant, and the industry more broadly from a Participant System Disruption and associated Major System Event, by providing advance transparency to the DTCC Systems Participant of their obligations in the event of a Participant System Disruption and more detailed and timely notification of such disruption to the Clearing Agencies, which would afford the Clearing Agencies more time and information to help manage risks presented. By helping to mitigate risk and better protect those parties, the Clearing Agencies would be better situated to successfully manage a Participant System Disruption, which,

in turn, helps promote the prompt and accurate clearance and settlement of securities transactions and enables the Clearing Agencies to better safeguard securities and funds that are in their custody or control, consistent with Section 17A(b)(3)(F) of the Act.<sup>28</sup>

## Consistency With Rule 17ad–22(e)(2)(i) and (v)

Rule 17ad–22(e)(2) promulgated under the Act<sup>29</sup> requires, in part, that the Clearing Agencies establish, implement, maintain and enforce written policies and procedures reasonably designed to provide for governance arrangements that, among other things, (i) are clear and transparent (*i.e.*, Subsection (e)(2)(i) of Rule 17ad–22) and (ii) specify clear and direct lines of responsibility (*i.e.*, Subsection (e)(2)(v) of Rule 17ad–22).

As described above, the Clearing Agencies propose to no longer (a) provide a list of specific persons that may determine the Clearing Agencies have a reasonable basis to conclude that there is a Major System Event, nor (b) require, within five Business Days, that such determination be reviewed by a management committee on which all such listed people serve, and the Board. Instead, the Clearing Agencies propose that such determination be made by two or more members of the Clearing Agencies’ senior most management committee and then, after such determination is made, that the Board, any remaining members of that senior management committee, and the Commission be promptly notified of such determination.

The Clearing Agencies believe that these proposed changes to identify the subset of senior officers that would have the authority to declare a Major System Event, while also providing for prompt notice to the remaining members of the senior most management committee, the Board, and the Commission would make such governance procedures more clear and transparent, while specifying clear and direct lines of responsibility with respect to such determination, consistent with Rule 17ad–22(e)(2)(i) and (v) promulgated under the Act.<sup>30</sup>

## Consistency With Rule 17ad–22(e)(17)(i)

Rule 17ad–22(e)(17)(i) promulgated under the Act<sup>31</sup> requires that the Clearing Agencies establish, implement, maintain, and enforce written policies and procedures reasonably designed to manage operational risks by identifying

<sup>25</sup> 15 U.S.C. 78q–1(b)(3)(F).

<sup>26</sup> 17 CFR 240.17ad–22(e)(2) and (e)(17).

<sup>27</sup> 15 U.S.C. 78q–1(b)(3)(F).

<sup>28</sup> *Id.*

<sup>29</sup> 17 CFR 240.17ad–22(e)(2).

<sup>30</sup> 17 CFR 240.17ad–22(e)(2)(i) and (v).

<sup>31</sup> 17 CFR 240.17ad–22(e)(17)(i).

plausible sources of operational risk, both internal and external, and mitigating their impact through the use of appropriate systems, policies, procedures, and controls.

As described above, the Clearing Agencies propose to (a) expand the definition of DTCC Systems Participant to specifically name the applicable Respective Participant types, and include Affiliates of such Respective Participants and entities similar to third-party service providers and service bureaus; (b) clarify and enhance the requirements of each DTCC Systems Participant to notify the Clearing Agencies of a Participant System Disruption; and (c) add provisions incorporating the reporting, testing and approval requirements, process, and governance necessary to Reconnect a DTCC Systems Participant that was the subject of action taken pursuant to the Disruption Rules.

By more explicitly naming and expanding the parties that are subject to the Disruption Rules, and also clarifying and enhancing who has to report information to the Clearing Agencies in the event of a Participant System Disruption, when the disruption has to be reported, and what disruption details have to be reported, the Clearing Agencies would be improving their ability to identify and collect information about disruptions experienced by the entities connected to DTCC Systems, which, in turn, would enable the Clearing Agencies to react more quickly and effectively to the disruption, in protection of their systems, as well as the systems of other entities connected to the Clearing Agencies. Then, by adding the proposed Reconnection and associated testing requirements and governance prior to Reconnection of the DTCC Systems Participant, the Clearing Agencies would be better assured the operational disruption had been sufficiently mitigated such that it no longer presents a risk to the Clearing Agencies or their Respective Participants.

For these reasons, the Clearing Agencies believe these proposed changes would better position the Clearing Agencies to identify and address operational risk presented by a Participant System Disruption, consistent with the requirements of Rule 17ad-22(e)(17)(i) promulgated under the Act.<sup>32</sup>

#### *(B) Clearing Agency's Statement on Burden on Competition*

The Clearing Agencies believe that three of the proposed changes could

have an impact on competition: (i) expanding the definition of DTCC Systems Participant to include Affiliates of the Respective Participants, and entities similar to third-party service providers and service bureaus; (ii) establishing the Reconnection requirements in new Section 5; and (iii) establishing the testing requirements, prior to Reconnection, in new Section 6, as described above. The Clearing Agencies believe the impact of these proposed changes could impose a burden on competition but that such burden is necessary and appropriate in furtherance of the purposes of the Act, as explained below.

The Clearing Agencies believe that expanding the definition of DTCC Systems Participant could impose a burden on competition on such entities because they would now be explicitly subject to the requirements of the Disruption Rules, including being the subject of a disconnection and all subsequent Reconnection requirements. The Clearing Agencies acknowledge and appreciate that being disconnected from DTCC Systems could place a competitive disadvantage, as the disconnection could effectively halt the entity's post-trade processing or other related activity transacted through the Clearing Agencies. However, the Clearing Agencies do not believe such expansion would create a significant burden because, in the Clearing Agencies' experience, such entities are already indirectly subject to the requirements of the Disruption Rules because of the often close relationship and interconnectivity between such entities and the Respective Participants. In other words, if one or more of the Respective Participants is disconnected from DTCC Systems under the current Disruption Rules, it is very likely that the entities associated with the disconnected Respective Participant, particularly Affiliates, also will be disconnected. Therefore, although not explicitly named in the current Disruption Rules, such entities are already indirectly subject to the rule through the Respective Participant. Additionally, as would continue to be provided for in the Disruption Rules, under new Subsection 4(a)(iii), the Clearing Agencies would endeavor to facilitate the continuation of their services, in some manner, for a DTCC Systems Participant that was the subject of action under the Disruption Rules, as appropriate and practical.

The Clearing Agencies believe establishing the Reconnection requirements in newly proposed Section 5 and, similarly, establishing the testing

requirements prior to Reconnection in newly proposed Section 6, each of which are described above, could each impose a burden on competition on a subject DTCC Systems Participant because the changes create steps that the subject DTCC Systems Participant would need to take in order to be Reconnected to DTCC Systems. The Clearing Agencies appreciate that these additional steps could mean the DTCC Systems Participant remains "disconnected" from DTCC Systems longer than it believes necessary or longer than it may otherwise be disconnected but for these additional steps, which could be a competitive burden for that DTCC Systems Participant. However, the Clearing Agencies do not believe the burden on competition from the proposed Reconnection and testing requirements is significant because, in the Clearing Agencies' experience, these additional steps are standard practice to ensure that Reconnections are appropriate and safe. In other words, although not explicitly required under the current Disruption Rules, a disconnected DTCC Systems Participant would likely need to complete the proposed Reconnection and testing requirements. Additionally, as noted in the preceding paragraph, under new Subsection 4(a)(iii) of the Disruption Rules, the Clearing Agencies would have endeavored to facilitate the continuation of services of a disconnected DTCC Systems Participant in some manner, as appropriate and practical, prior to Reconnection.

Regardless of the significance of the burden, the Clearing Agencies strongly believe that the burden on competition from explicitly including Affiliates of the Respective Participants, and entities similar to third parties in the Disruption Rules, and the addition of the proposed Reconnection and testing requirements is necessary and appropriate in furtherance of the purposes of the Act, as permitted by Section 17A(b)(3)(I) of the Act.<sup>33</sup> Specifically, the Clearing Agencies believe these changes are necessary and appropriate in furtherance of Section 17A(b)(3)(F) of the Act<sup>34</sup> and Rule 17ad-22(e)(17) promulgated under the Act,<sup>35</sup> as each are described above.

These changes are necessary because, by covering Affiliates and additional third parties and requiring Reconnection and testing requirements, the Clearing Agencies would be helping to ensure that the breadth of the Disruption Rules is broad enough to

<sup>33</sup> 15 U.S.C. 78q-1(b)(3)(I).

<sup>34</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>35</sup> 17 CFR 240.17ad-22(e)(17).

<sup>32</sup> *Id.*

address all likely subject parties of a Participant System Disruption, and that the Clearing Agencies receive adequate information, which includes adequate testing of the subject DTCC Systems Participant, to determine that Reconnection is safe. Similarly, these changes are appropriate because, from the Clearing Agencies' experience, they are consistent with actual practice in the event of a Participant System Disruption. Therefore, ensuring that the right parties are covered and that the Clearing Agencies have adequate information would help promote the prompt and accurate clearance and settlement of securities transactions, and assure the safeguarding of securities and funds which are in the custody or control of the Clearing Agencies, consistent with Section 17A(b)(3)(F) of the Act,<sup>36</sup> and would help mitigate the impact of the operational risk presented by a Participant System Disruption, consistent with Rule 17ad-22(e)(17) promulgated under the Act.<sup>37</sup>

The Clearing Agencies do not believe any of the other proposed changes would have an impact on competition because the remaining changes are various technical, ministerial, conforming, or clarifying changes, or are related to the Clearing Agencies' governance practices for the Disruption Rules, which would not impact a DTCC Systems Participant's competitive position.

*(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Clearing Agencies have not received or solicited any written comments relating to this proposed rule change. If any written comments are received, the Clearing Agencies will amend their respective filings to publicly file such comments as an Exhibit 2 to this filing, as required by Form 19b-4 and the General Instructions thereto.

Persons submitting written comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b-4, the Commission does not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission's instructions on

How to Submit Comments, available at <https://www.sec.gov/regulatory-actions/how-to-submit-comments>. General questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the Commission's Division of Trading and Markets at [tradingandmarkets@sec.gov](mailto:tradingandmarkets@sec.gov) or 202-551-5777.

The Clearing Agencies reserve the right to not respond to any comments received.

**III. Date of Effectiveness of the Proposed Rule Change, and Timing for Commission Action**

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) by order approve or disapprove such proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

*Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-FICC-2025-006 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549. All submissions should refer to file number SR-FICC-2026-006. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written

communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549 on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of FICC and on DTCC's website (<https://dtcc.com/legal/sec-rule-filings.aspx>). Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-FICC-2025-006 and should be submitted on or before April 17, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>38</sup>

**J. Matthew DeLesDernier,**  
*Deputy Secretary.*

[FR Doc. 2025-05208 Filed 3-26-25; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-102716; File No. SR-CboeBZX-2025-046]

**Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to the Extension Hours for BZX Early Trading Session and Addition of Early Trading Session Start Times**

March 21, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on March 17, 2025, Cboe BZX Exchange, Inc. ("Exchange" or "BZX") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a "non-controversial" proposed rule change pursuant to

<sup>36</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>37</sup> 17 CFR 240.17ad-22(e)(17).

<sup>38</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

Section 19(b)(3)(A)(iii) of the Act<sup>3</sup> and Rule 19b-4(f)(6) thereunder.<sup>4</sup> The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

### **I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

(a) Cboe BZX Exchange, Inc. (the "Exchange" or "BZX") proposes amend Rule 1.5(ff), Rule 11.1(a), and Rule 14.11(j)(1), to make the following changes to its Early Trading Session: (1) extend the Early Trading Sessions from 7:00 a.m. to 8:00 a.m. Eastern Time ("ET"),<sup>5</sup> to 4:00 a.m. to 8:00 a.m.; (2) implement an order acceptance time of, 2:30 a.m. to 4:00 a.m.; and (3) implement start times of 4:00 a.m. and 7:00 a.m. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website ([http://markets.cboe.com/us/equities/regulation/rule\\_filings/bzx/](http://markets.cboe.com/us/equities/regulation/rule_filings/bzx/)), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

### **II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

In its filing with the Commission, the Exchange included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

#### **A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change**

##### **1. Purpose**

##### **Current Functionality**

The Exchange currently offers four distinct trading sessions where the Exchange accepts orders for potential execution: (1) the "Early Trading Session,"<sup>6</sup> which begins at 7:00 a.m. and continues until 8:00 a.m.; (2) the

"Pre-Opening Session,"<sup>7</sup> which begins at 8:00 a.m. and continues until 9:30 a.m.; (3) "Regular Trading Hours,"<sup>8</sup> which begins at 9:30 a.m. and continues until 4:00 p.m.; and (4) the "After Hours Trading Session,"<sup>9</sup> which begins at 4:00 p.m. and continues until 8:00 p.m. Users may designate when their orders are eligible for execution by selecting their desired Time-in-Force ("TIF") instruction.<sup>10</sup>

Orders may be entered into the System from 6:00 a.m. until 8:00 p.m. Orders entered between 6:00 a.m. and 7:00 a.m. are not eligible for execution until the start of the Early Trading Session, Pre-Opening Session, or Regular Trading Hours, depending on the TIF selected by the User. The Exchange does not accept the following orders prior to 7:00 a.m.: BZX Post Only Orders,<sup>11</sup> intermarket sweep orders ("ISOs"),<sup>12</sup> BZX Market Orders<sup>13</sup> that are not Stop Orders,<sup>14</sup> Eligible Auction

<sup>7</sup> The term "Pre-Opening Session" shall mean the time between 8:00 a.m. and 9:30 a.m. Eastern Time. See Rule 1.5(r).

<sup>8</sup> The term "Regular Trading Hours" means the time between 9:30 a.m. and 4:00 p.m. Eastern Time. See Rule 1.5(w).

<sup>9</sup> The term "After Hours Trading Session" shall mean the time between 4:00 p.m. and 8:00 p.m. Eastern Time. See Rule 1.5(c).

<sup>10</sup> See Rule 11.9(b)(1)–(10).

<sup>11</sup> A "BZX Post Only Order" is an order that is to be ranked and executed on the Exchange pursuant to Rule 11.12 and Rule 11.13(a)(4) or cancelled, as appropriate, without routing away to another trading center except that the order will not remove liquidity from the BZX Book, other than as described below. Post Only Order will remove contra-side liquidity from the BZX Book if the order is an order to buy or sell a security priced below \$1.00 or if the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the BZX Book and subsequently provided liquidity, including the applicable fees charged or rebates provided. To determine at the time of a potential execution whether the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the BZX Book and subsequently provided liquidity, the Exchange will use the highest possible rebate paid and highest possible fee charged for such executions on the Exchange. A BZX Post Only Order will be subject to the price sliding process as set forth in paragraph (g) below unless a User has entered instructions not to use the price sliding process. See Rule 11.9(c)(6).

<sup>12</sup> An Intermarket Sweep Order ("ISO") has the meaning defined to it in Regulation NMS Rule 600. See 17 CFR 242.600, Regulation NMS Rule 600(b)(47), definition of Intermarket Sweep Order, available at: <https://www.ecfr.gov/current/title-17/chapter-II/part-242/subject-group-ECFRac68bdd026a46db/section-242.600>; see also Rule 11.9(d), Intermarket Sweep Order.

<sup>13</sup> A BZX Market Order is an order to buy or sell a stated amount of a security that is to be executed at the NBBO when the order reaches the Exchange See Rule 11.9(a)(2).

<sup>14</sup> A Stop Order is an order that becomes a BZX market order when the stop price is elected. A Stop Order to buy is elected when the consolidated last sale in the security occurs at, or above, the specified stop price. A Stop Order to sell is elected when the

Order<sup>15</sup> Minimum Quantity Orders<sup>16</sup> that also include a TIF of Regular Hours Only,<sup>17</sup> and all orders with a TIF of immediate or cancel ("IOC")<sup>18</sup> or fill-or-kill ("FOK").<sup>19</sup> At the commencement of the Early Trading Session, orders entered between 6:00 a.m. and 7:00 a.m. are handled in time sequence, beginning with the order with the oldest time stamp, and are placed on the BZX Book,<sup>20</sup> routed, cancelled, or executed in accordance with the terms of the order. Orders may be executed on the Exchange or routed away from the Exchange during Regular Trading Hours and during the Early Trading, Pre-Opening and After Hours Trading Sessions.

##### **Proposed Functionality**

The Exchange now seeks to amend Rule 1.5(ff), Rule 11.1(a), and Rule 14.11(j)(1), to make the following changes to its Early Trading Session: (1) extend the Early Trading Sessions from 7:00 a.m. to 8:00 a.m. Eastern Time ("ET"), to 4:00 a.m. to 8:00 a.m.; (2) implement an order acceptance time of, 2:30 a.m. to 4:00 a.m.; and (3)

consolidated last sale in the security occurs at, or below, the specified stop price. See Rule 11.9(c)(16).

<sup>15</sup> The term "Eligible Auction Order" shall mean any MOO, LOO, LLOO, MOC, LOC, or LLOC order that is entered in compliance with its respective cutoff for an Opening or Closing Auction, any RHO order prior to the Opening Auction, any limit or market order not designated to exclusively participate in the Closing Auction entered during the Quote-Only Period of an IPO Auction subject to the below restrictions, and any limit or market order not designated to exclusively participate in the Opening or Closing Auction entered during the Quote-Only Period of a Halt Auction. See Rule 11.23(a)(8).

<sup>16</sup> A Minimum Quantity Order is a limit order to buy or sell that will only execute if a specified minimum quantity of shares can be obtained. See Rule 11.9(c)(5).

<sup>17</sup> Regular Hours Only ("RHO") refers to a limit or market order that is designated for execution only during Regular Trading Hours, which includes the Opening Auction, the Closing Auction, and IPO/Halt Auctions for BZX listed securities and the Opening Process for non-BZX-listed securities (as such terms are defined in Rule 11.23 and 11.24). Any portion of a market RHO order will be cancelled immediately following any auction in which it is not executed. See Rule 11.9(b)(7).

<sup>18</sup> An Immediate-or-Cancel ("IOC") order is a limit order that is to be executed in whole or in part as soon as such order is received. The portion not executed immediately on the Exchange or another trading center is treated as cancelled and is not posted to the BZX Book. IOC limit orders that are not designated as "BZX Only" and that cannot be executed in accordance with Rule 11.13(a)(4) on the System when reaching the Exchange will be eligible for routing away pursuant to Rule 11.13(b). See Rule 11.9(b)(1).

<sup>19</sup> Fill-or-Kill ("FOK") is a limit order that is to be executed in its entirety as soon as it is received and, if not so executed, cancelled. A limit order designated as FOK is not eligible for routing away pursuant to Rule 11.13(b). See Rule 11.9(b)(6).

<sup>20</sup> The term "BZX Book" shall mean the System's electronic file of orders. See Rule 1.5(e).

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>4</sup> 17 CFR 240.19b-4(f)(6).

<sup>5</sup> Hereinafter, all times referenced are in Eastern Time.

<sup>6</sup> The term "Early Trading Session" shall mean the time between 7:00 a.m. and 8:00 a.m. Eastern Time. See Rule 1.5(ff).

implement start times of 4:00 a.m. and 7:00 a.m.

The proposed extension of the Early Trading Session is in response to feedback from market participants that trade during EDGX's Early Trading Session that an extended BZX Early Trading Session is desirable, as it would provide the market with another transparent, well-regulated, national securities exchange on which to seek extended hours liquidity.

In conjunction with extending its Early Trading Session to commence at 4:00 a.m., BZX also seeks to amend its rules to implement an order acceptance period of 2:30 a.m. to 4:00 a.m. This will enable Users to enter orders onto the Exchange in advance of the commencement of the trading on the Exchange and designate their orders for trading in the session(s) the User desires—*i.e.*, the Early Trading Session, Pre-Opening Session, Regular Trading Hours, and/or the Post-Closing Session. The Exchange believes that the implementation of an order acceptance period will help assist Users in managing their order flow by enabling them to send orders earlier in the day, with designated TIFs<sup>21</sup> indicating which trading session(s) they wish to participate.

The Exchange also proposes to add a start time of 4:00 a.m. and 7:00 a.m., to the proposed new Early Trading Session. As noted, Users may enter orders onto BZX beginning at 2:30 a.m., and orders designated for trading in the Early Trading Session will become eligible for execution with at 4:00 a.m., unless Users designate their Early Trading Session Orders to become executable at 7:00 a.m., instead. The 7:00 a.m. start time is valued by some Users in that they prefer to wait to commence trading until 7:00 a.m.,

because there may typically be more liquidity further into the Early Trading Session. Accordingly, this proposed rule change would provide that at the commencement of the Early Trading Session, orders entered into the System between 2:30 a.m. and 4:00 a.m. would generally become eligible for execution at 4:00 a.m. However, a User may include in its order instructions a designation that their Early Trading Session orders shall not become eligible for execution until 7:00 a.m., rather than 4:00 a.m. Orders entered with a 7:00 a.m. start time could be entered between 2:30 a.m. and 7:00 a.m. At each start time that orders may become eligible for execution in the Early Trading Session (*i.e.*, 4:00 a.m. or 7:00 a.m.), orders would be handled in time sequence, beginning with the order with the oldest time stamp, and would be placed on the BZX Book, routed, cancelled, or executed in accordance with the terms of the order.

For instance, an order entered by a User at 3:00 a.m., and that is designated to participate in the Early Trading Session with a 4:00 a.m. start time, will be entered onto the EDGX Book at the commencement of the Early Trading Session, at 4:00 a.m., and immediately become eligible for execution (“Order 1”). An order entered at 2:30 a.m., and that is designated to participate in the Early Trading Session with a 7:00 a.m. start time, will be entered onto the BZX Book at 7:00 a.m., and become eligible for execution at 7:00 a.m. (“Order 2”). While Order 2 was entered earlier than Order 1, Order 1 will be handled by the System first, as it was entered onto the BZX Book and became eligible for execution, earlier than Order 2. Order 2 will have time priority relative to other orders entered between 2:30 a.m. and 4:30 a.m., with a designated 7:00 a.m. start time. Once Order 2 enters the EDGX Book, it will cede time priority to Order 1, and other orders entered between 2:30 a.m. and 8:00 a.m., with a start time of 4:00 a.m.

Importantly, these proposed changes will not change the operation of the Early Trading Session, and orders entered for participation in the Early Trading Session will continue to be handled in the same manner as they are in today's current Early Trading Session. Indeed, the proposed rule change merely permits the Exchange to begin order acceptance and commence trading at earlier times, thereby providing additional time for market participants to source and access liquidity on the Exchange outside of Regular Trading Hours. In this regard, the Exchange believes that amending its rules to extend the Exchange's trading

hours will benefit investors in that they will now be able trade on the Exchange earlier in day. Moreover, the proposed amendments fully align BZX's Early Trading Session times with that of Cboe EDGX Exchange, Inc. (“EDGX”), which should help to mitigate any potential operational and technological changes that Users of BZX may need to consider when trading during the proposed BZX Early Trading Session.

## 2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>22</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>23</sup> requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>24</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the proposed rule changes will remove impediments to and perfect the mechanism of a free and open market and national market system and will benefit investors by providing market participants with additional opportunities to source and access liquidity for their orders on their Exchange. All orders entered during the proposed acceptance period and extended Early Trading Session hours will continue to be handled in the same manner as they are today. In addition to this, the proposed rule changes will not affect the protection of investors as they are consistent with early trading session hours, as well as the system acceptance times, already in place under the rules of other equities exchanges,<sup>25</sup> as

<sup>22</sup> 15 U.S.C. 78f(b).

<sup>23</sup> 15 U.S.C. 78f(b)(5).

<sup>24</sup> *Id.*

<sup>25</sup> See NYSE Arca Rule 7.34–E(a)(1); see also Nasdaq Section 1, Equity Definitions (a)(9).

<sup>21</sup> For instance, a User may designate their orders with the following TIF instructions: 0=DAY (Default) (Early Trading Session until end of Regular Session); 1=GTC (Allowed, but treated same as Day); 2=At the Open (Available on BZX and applicable to Cboe listed securities only); 3=IOC (Portion not filled immediately is cancelled); 4=FOK (An IOC where the entire size must be filled, else the order will be cancelled back); 5=GTx (Early Trading Session until end of Post-Market Session); 6=GTD (Early Trading Session; expires at earlier of specified Expire Time or end of Post-Market Session); 7=At the Close (Available on BZX and applicable to Cboe listed securities and Cboe Market Close symbols); E=PRE (Pre-Market Trading Session until end of Regular Session); R=RHO (Regular Hours/Session Only); T=PTD (Pre-Market Trading Session; expires at earlier of specified Expire Time or end of Post-Market Session); or X=PTX (Pre-Market Trading Session until end of Post-Market Session). See “Cboe US Equities FIX Specifications,” p. 32, available at: <https://www.cboe.com/us/equities/support/technical/>; see also “Cboe US Equities BOE Specification,” p. 92, available at: <https://www.cboe.com/us/equities/support/technical/>.

previously filed with the Commission.<sup>26</sup> Finally, the Exchange notes that updating the references to Early Trading Session operation times in Rules 11.1 and 14.1 will also remove impediments to and perfect the mechanism of a free and open market and national market system and benefit investors because the updates ensure that the Exchange Rules properly reflect the proposed changes to the Early Trading Session hours.

#### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Particularly, the Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of purposes of the Act because all Users will be able to enter orders earlier in the day for System acceptance and for execution in the extended Early Trading Session. As stated, the proposed rule change does not alter the manner in which a User's orders are handled. The Exchange also does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, the proposed changes may promote competition because the proposed trading hours are identical to those of early trading sessions currently in place on Arca and Nasdaq.

#### *C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange neither solicited nor received comments on the proposed rule change.

### **III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Pursuant to Section 19(b)(3)(A) of the Act<sup>27</sup> and Rule 19b-4(f)(6)<sup>28</sup> thereunder, the Exchange has designated this proposal as one that effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on

competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.<sup>29</sup>

A proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)<sup>30</sup> permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requested that the Commission waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Exchange states that waiver of operative delay would enable to the Exchange to quickly offer its Users another venue to which to direct their extended hours orders, thereby providing Users with an additional source of liquidity on a well-regulation, transparent, national securities exchange. Furthermore, the Exchange's proposal is identical to the Early Trading Session that currently exists on the Exchange's affiliate, EDGX today, and thus, this proposed rule change raises no novel or unique regulatory issues. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposed rule change operative upon filing.<sup>31</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

### **IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

<sup>29</sup> In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

<sup>30</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>31</sup> For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

#### *Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-CboeBZX-2025-046 on the subject line.

#### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-CboeBZX-2025-046. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-CboeBZX-2025-046 and should be submitted on or before April 17, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>32</sup>

**J. Matthew DeLesDernier,**  
Deputy Secretary.

[FR Doc. 2025-05211 Filed 3-26-25; 8:45 am]

**BILLING CODE 8011-01-P**

<sup>26</sup> See Securities Exchange Release No. 92657 (August 12, 2021), 86 FR 46296 (December 18, 2021) (SR-NYSEARCA-2021-71); see also Securities Exchange Release No. 90577 (December 7, 2020), 85 FR 80202, (December 11, 2020) (SR-NASDAQ-2020-079).

<sup>27</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>28</sup> 17 CFR 240.19b-4(f)(6).

<sup>32</sup> 17 CFR 200.30-3(a)(12), (59).

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–102707; File No. SR–NYSEARCA–2024–70]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Amendment No. 3 to a Proposed Rule Change To List and Trade Shares of the COTwo Advisors Physical European Carbon Allowance Trust Under NYSE Arca Rule 8.201–E (Commodity-Based Trust Shares)

March 21, 2025.

On August 19, 2024, NYSE Arca, Inc. (“NYSE Arca” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> a proposed rule change to list and trade shares (“Shares”) of the COTwo Advisors Physical European Carbon Allowance Trust (“Trust”) under NYSE Arca Rule 8.201–E (Commodity-Based Trust Shares). The proposed rule change was published for comment in the **Federal Register** on September 5, 2024.<sup>3</sup>

On October 16, 2024, pursuant to Section 19(b)(2) of the Act,<sup>4</sup> the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.<sup>5</sup> On November 22, 2024, the Exchange filed Amendment No. 1 to the proposed rule change, and on December 3, 2024, the Commission issued notice of filing of Amendment No. 1 to the proposed rule change and instituted proceedings pursuant to Section 19(b)(2)(B) of the Act<sup>6</sup> to determine whether to approve or disapprove the proposed rule change, as modified by Amendment No. 1.<sup>7</sup> On February 20, 2025, pursuant to Section 19(b)(2) of the Act,<sup>8</sup> the Commission designated a longer period for Commission action on the proposed rule change.<sup>9</sup> On March 13, 2025, the

Exchange filed Amendment No. 2 to the proposed rule change, and on March 20, 2025, the Exchange withdrew Amendment No. 2. On March 20, 2025, the Exchange filed Amendment No. 3 to the proposed rule change, which amended and replaced the proposed rule change, as modified by Amendment No. 1, in its entirety.<sup>10</sup> The Commission is publishing this notice to solicit comments on the proposed rule change, as modified by Amendment No. 3, from interested persons. Items I and II below have been prepared by the Exchange.

#### I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to list and trade shares of the COTwo Advisors Physical European Carbon Allowance Trust under NYSE Arca Rule 8.201–E (Commodity-Based Trust Shares). This Amendment No. 3 to SR–NYSEARCA–2024–70 replaces Amendment No. 2 [sic] to SR–NYSEARCA–2024–70 and supersedes such filing in its entirety. The proposed rule change is available on the Exchange’s website at [www.nyse.com](http://www.nyse.com), at the principal office of the Exchange, and at the Commission’s Public Reference Room.

#### II. Self-Regulatory Organization’s Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

##### A. Self-Regulatory Organization’s Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

The Exchange proposes to list and trade shares (“Shares”) of the COTwo Advisors Physical European Carbon Allowance Trust (the “Trust”), under NYSE Arca Rule 8.201–E, which governs the listing and trading of Commodity-Based Trust Shares.<sup>11</sup>

<sup>10</sup> Amendment No. 3 to the proposed rule change can be found at: [srmnysearca202470-582995-1678942.pdf](https://www.sec.gov/submit/1678942.pdf).

<sup>11</sup> Commodity-Based Trust Shares are securities issued by a trust that represent investors’ discrete identifiable and undivided beneficial ownership interest in the commodities deposited into the trust.

The Trust was formed as a Delaware statutory trust on January 12, 2023.<sup>12</sup> The Trust has no fixed termination date. The Trust will not be registered as an investment company under the Investment Company Act of 1940, as amended,<sup>13</sup> and is not required to register under such act. The Trust is not a commodity pool for purposes of the Commodity Exchange Act, as amended.<sup>14</sup>

The sponsor of the Trust is COTwo Advisors LLC, a Delaware limited liability company (“Sponsor”). State Street Bank and Trust Company serves as the Trust’s administrator (the “Administrator”) to perform various administrative, accounting and recordkeeping functions on behalf of the Trust. Wilmington Trust serves as trustee of the Trust (the “Trustee”). State Street Bank and Trust Company serves as the Trust’s transfer agent (the “Transfer Agent”) and as custodian of the Trust’s cash, if any (“Cash Custodian”).<sup>15</sup>

The Exchange represents that the Shares will satisfy the requirements of NYSE Arca Rule 8.201–E and thereby will qualify for listing on the Exchange.

##### Operation of the Trust<sup>16</sup>

The investment objective of the Trust will be for the Shares to reflect the performance of the price of EU Carbon Emission Allowances for stationary installations (“EUAs”), less the Trust’s expenses. The Trust intends to achieve its objective by investing all of its assets in EUAs on a non-discretionary basis (*i.e.*, without regard to whether the value of EUAs is rising or falling over any particular period). Shares of the Trust will represent units of fractional undivided beneficial interest in and ownership of the Trust. The Trust’s only ordinary recurring expense will be the Sponsor’s annual fee. The Trust will not

<sup>12</sup> On May 12, 2023, the Trust filed with the Commission a registration statement on Form S–1, as amended on January 16, 2024 and April 4, 2024 (File No. 333–271910) (the “Registration Statement”) under the Securities Act of 1933 (15 U.S.C. 77a) (the “Securities Act”). The description of the operation of the Trust herein is based, in part, on the Registration Statement. The Registration Statement is not yet effective and the Shares will not trade on the Exchange until such time that the Registration Statement is effective.

<sup>13</sup> 15 U.S.C. 80a–1.

<sup>14</sup> 17 U.S.C. 1.

<sup>15</sup> The Cash Custodian is responsible for holding the Trust’s cash as well as receiving and dispensing cash on behalf of the Trust. Deposits of cash held by the Cash Custodian will be used in connection with the purchase of an applicable amount of EUAs for creations and redemptions of Creation Units and in connection with the payment of Trust expenses.

<sup>16</sup> The description of the operation of the Trust, the Shares, and the carbon credit industry contained herein are based, in part, on the Registration Statement. See note 5, *supra*.

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> See Securities Exchange Act Release No. 100877 (Aug. 29, 2024), 89 FR 72524. The Commission has not received any comments.

<sup>4</sup> 15 U.S.C. 78s(b)(2).

<sup>5</sup> See Securities Exchange Act Release No. 101360, 89 FR 84406 (Oct. 22, 2024).

<sup>6</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>7</sup> See Securities Exchange Act Release No. 101806, 89 FR 97678 (Dec. 9, 2024).

<sup>8</sup> 15 U.S.C. 78s(b)(2).

<sup>9</sup> See Securities Exchange Act Release No. 102468, 90 FR 10738 (Feb. 26, 2025). The Commission, pursuant to Section 19(b)(2) of the Act, designated May 3, 2025 as the date by which the Commission shall either approve or disapprove the proposed rule change.

hold any assets other than EUAs and cash. The Trust may purchase or sell EUAs in connection with the creation or redemption of Shares by Authorized Participants (as defined below). In addition to selling EUAs to distribute cash to Authorized Participants redeeming Shares, the Trust may sell EUAs to pay the Sponsor's annual fee. All EUAs will be held in the Union Registry (defined below).

The Trust will not invest in futures, options, options on futures, or swap contracts. The Trust will not hold or trade in commodity futures contracts, "commodity interests," or any other instruments regulated by the Commodity Exchange Act.

The Trust is not a proxy for investing in EUAs. Rather, the Shares are intended to provide a cost-effective means of obtaining investment exposure through the securities markets that is similar to an investment in EUAs. Specifically, the Shares are intended to constitute a simple and cost-efficient means of gaining investment benefits similar to those of holding EUAs directly, by providing investors an opportunity to participate in the EUA market through an investment in the Shares, instead of the traditional means of purchasing and storing EUAs. Trust shareholders will be exposed to the risks of investing in EUAs, as well as to additional risks that are unrelated to EUAs. For example, the public trading price at which an investor buys or sells Shares during the day from their broker may be different from the value of the Trust's holdings. Price differences may relate primarily to supply and demand forces at work in the secondary trading market for the Trust's Shares that are closely related to, but not identical to, the same forces influencing the prices of EUAs, cash and cash equivalents that constitute the Trust's assets. In addition, EUAs will have to be sold to pay Trust expenses that would not be associated with an investment in EUAs. Additional risks related to the Trust's structure, the Sponsor's management of the Trust, and the tax treatment of an investment in Shares are further in the Registration Statement.

#### EUAs and the EUA Industry

##### Description of EU Emissions Trading Scheme

According to the Registration Statement, the European Union Emissions Trading System ("EU ETS") is a "cap and trade" system that caps the total volume of greenhouse gas ("GHG") emissions from installations and aircraft operators responsible for around 40% of European Union ("EU")

GHG emissions.<sup>17</sup> The EU ETS is the largest cap and trade system in the world and covers more than 11,000 power stations and industrial plants in 31 countries, and flights between airports of participating countries. The EU ETS is administered by the EU Commission, which issues a predefined amount of EUAs through auctions or free allocation. An EUA represents the right to emit one metric ton of carbon dioxide equivalent into the atmosphere by operators of stationary installations ("Covered Entities"). By the end of April each year, all Covered Entities are required to surrender EUAs equal to the total volume of actual emissions from their installation for the last calendar year. EU ETS operators can buy or sell EUAs to achieve EU ETS compliance.

In 2012, EU ETS operations were centralized into a single EU registry operated by the EU Commission (the "Union Registry"), which covers all countries participating in the EU ETS. According to the Registration Statement, the Union Registry is an online database that holds accounts for all entities covered by the EU ETS as well as for participants (such as the Trust) not covered under the EU ETS. The Union Registry can be accessed online in a similar manner to online banking systems. An account must be opened in the Union Registry by a legal or natural person before being able to participate in the EU ETS and transact in EUAs. The European Union Transaction Log ("EUTL")<sup>18</sup> checks, records and authorizes all transactions that take place between accounts in the Union Registry to ensure that transfers are in accordance with the EU ETS rules. The Union Registry is at all times responsible for holding the EUAs. All EUAs are held in the Union Registry, regardless of whether the EUAs are acquired through transactions on an exchange or in over-the-counter ("OTC") transactions.

##### Major Holders and Allowance Use Cases

According to the Registration Statement, while there is limited publicly available data on individuals or individual organizations' holdings in physical carbon allowances, carbon allowances are primarily held for three different use cases:

<sup>17</sup> There are two types of EU emissions allowance: (i) general allowances for stationary installations, or EUA; and (ii) allowances for the aviation sector ("EUAA"). The Trust will hold EUAs only.

<sup>18</sup> The EUTL is a central transaction log that checks and records all transactions taking place within the EU ETS. It is run by the European Commission and provides an easy access to emission trading data contained in the EUTL. See <https://www.eea.europa.eu/data-and-maps/dashboards/emissions-trading-viewer-1>.

(a) Complying with the EU ETS: Companies that need to surrender allowances under the EU ETS hold allowances to surrender them annually. These positions are typically built over time and ultimately surrendered at time of compliance. Therefore, the largest emitters in the EU ETS hold a significant amount of allowances, which include entities such as large utilities with a substantial share of fossil fuel fired power plants, cement companies, steel producers, chemical producers, oil and gas majors and airlines.

(b) Providing financial services for hedging purposes or speculation, such as clearing houses for the European Energy Exchange or the Intercontinental Exchange, or banks holding allowances for their clients.

(c) Trading on and speculating around price moves, using physical emission allowances. This can take many forms, including "yield trades", which includes holding a physical allowance and selling an EUA future at a premium to gain the yield in the forward curve; or outright positions for short term or long term speculation.

In addition to holding physical allowances, there is a liquid secondary futures and options market that is primarily used for hedging future emissions or speculating.

##### Trading Location

According to the Registration Statement, the EU ETS is linked to small emissions trading systems in Europe (Norway, Switzerland, Iceland and Liechtenstein), but not to any other major cap and trade markets. Therefore, allowances handed out in the EU ETS are not transferable to any registry outside of the EU ETS and cannot be used for compliance in any other cap and trade market.

There are a number of other trading systems globally, and like the EU ETS, no allowances of any of these systems can be used in any other system:

(a) Western Climate Initiative (WCI): The State of California and the Canadian province Quebec created a linked cap and trade market, that covers >80% of emissions.

(b) Regional Greenhouse Gas Initiative (RGGI): a group of US east coast states created a linked market that covers power generators only.

(c) The China National ETS: Technically not a cap and trade scheme (as the amount of allowances is not fixed but calculated according to historic production of units).

(d) South Korea ETS: A comprehensive market covering the majority of Korean emissions.

##### Pricing of Allowances and Trading Volume

According to the Registration Statement, there are currently two primary avenues for trading EUAs: a primary market and a secondary market. The primary market involves participation in a regularly scheduled

auction. The secondary market involves transactions between buyers and sellers on regulated markets. The instruments offered for trading are the following (1) instruments with a daily expiry, including spot EUAs and the Daily EUA Future (as defined below), (2) futures contracts with various maturities; and (3) options on futures contracts. There are also over-the-counter transactions, but they comprise a negligible percentage of transactions.

The spot and futures markets for EUAs have existed since 2005 after the formal launch of the EU ETS on January 1, 2005. Spot EUAs are traded exclusively on the European Energy Exchange AG (“EEX”),<sup>19</sup> and futures contracts and options on futures contracts are traded on EEX, ICE Endex Markets B.V. (“ICE Endex”),<sup>20</sup> and Nasdaq Oslo, although to date the latter’s market share has been marginal.

According to the Registration Statement, the EUA markets are generally liquid. The classifications for market participants include five basic categories—(1) investment firms or credit institutions, (2) investment funds,

(3) other financial institutions, (4) operators with compliance obligations and (5) commercial undertakings which are non-financial firms without compliance obligations under the EU ETS.<sup>21</sup> According to the European Union Transaction Log, as of March 7, 2025, there were 17,759 active registry accounts of all types.<sup>22</sup> The number of participants in the market has a direct bearing on the quality of trading. An Oxera report indicates that as the number of participants trading EUA futures has increased consistently since January 2017, relative spreads, calculated as the average quoted spread divided by the closing price, have decreased significantly—from just under 0.4% in January 2017 to roughly 0.06% in October 2021.<sup>23</sup> In an October 2024 publication, the European Securities Markets Authority (“ESMA”) estimated that approximately 10.75 billion EUAs were traded across all markets in 2023, amounting to approximately €764.1 billion.<sup>24</sup> Out of the total EUA market, approximately 523 million EUAs (amounting to €43.6 billion) were attributable to the EUA primary (auction) market, 9.3 billion EUAs (€648 billion) were attributable to the EUA on-exchange secondary market,<sup>25</sup> and 900 million EUAs (€72.5 billion) were attributable to OTC transactions. In this context, the “on-exchange secondary market” includes (1) the EEX spot EUA market, (2) the Daily EUA Futures market, (3) the markets for other EUA futures contracts (together with Daily EUA Futures, “EUA Futures”), and (4) options contracts on EUA Futures. Data regarding each of the trading of each of these instruments is provided below. During 2023, approximately 99% of on-exchange secondary market transactions in EUAs, representing 81% of total trading volumes, occurred through futures contracts.<sup>26</sup>

EUA auctions are held on a near-daily basis throughout the year, other than between mid-December to mid-January, when auctions are paused. Twenty-eight countries (25 EU member states plus Liechtenstein, Norway, and Iceland) have agreed to use EEX to conduct their regularly scheduled auctions. Germany and Poland have opted out of the common auction but also utilize the EEX for auctions. Hence, EUA auctions take place exclusively on EEX. These auctions take place on a regularly scheduled basis; the number of allowances being auctioned is disclosed on a schedule prior to auction. Prices achieved in these auctions are published on various publicly-accessible websites, including the European Commission’s primary website. For the year-to-date period ended September 30, 2024, the year ended December 31, 2023 and year ended December 31, 2022, the number of EUAs auctioned off on the EEX was 453,034,000, 523,307,500 and 491,194,000, respectively. The auctions cleared at an average discount to the current EUA on-exchange secondary market price of €0.04, €0.08 and €0.11, respectively, for the same time periods, based on the prevailing best bid and offer for EUA instruments with daily expiry (as discussed below) at the time the auction clears. These narrowing discounts as the auction volumes increase is indicative of a maturing marketplace that can provide accurate price discovery.

Below is a discussion of the secondary markets for EUAs and associated derivatives. The Trust will only hold EUAs and possibly cash, and will not hold any of the EUA derivatives.

#### Exchange-Traded Instruments With a Daily Expiry

Exchange-traded instruments with daily expiry consist of spot EUAs traded on the EEX and the Daily EUA Future traded on ICE Endex.<sup>27</sup> The Exchange notes that the settlement and economic outcome for a spot purchase on the EEX and a same day futures purchase on the ICE Endex are identical (as further detailed below). In fact, ESMA, in its “Final Report: Emission Allowances and Associated Derivatives,” uses the term “spot” EUAs to include both spot EUAs traded on EEX and the Daily EUA Future traded on ICE Endex.<sup>28</sup>

<sup>27</sup> NASDAQ Oslo also offers a single day futures contract on EUAs, but the contract is not traded.

<sup>28</sup> See *esma70-445-38 final report on emission allowances and associated derivatives.pdf* (europa.eu).

<sup>19</sup> EEX is an exchange under the German Exchange Act and a Regulated Market (“RM”), as defined in the Markets in Financial Instruments Directive (Directive 2014/65/EC) (“MIFID II”). As a RM for spot and derivatives transactions, EEX is supervised by the Saxon State Ministry for Economic Affairs, Labour and Transport (the “Exchange Supervisory Authority”). The Exchange Supervisory Authority is in charge of the legal supervision of EEX and of market supervision of the trading participants according to the German Exchange Act. The members of EEX are supervised by the Federal Financial Supervisory Authority (BaFin). All trading participants are required to comply with the market abuse regulations within the German Securities Trading Act. Beside this supervision, the market behavior at the spot and derivatives markets of all exchange participants is supervised on a daily basis by the Market Surveillance Office, an independent body of the exchange according to Section 7 of the German Exchange Act. See [https://www.esma.europa.eu/sites/default/files/EEX\\_1.pdf](https://www.esma.europa.eu/sites/default/files/EEX_1.pdf). See also Rules and Regulations at <https://www.eex.com/en/markets/trading-ressources/rules-and-regulations>. EEX is also recognized by the CFTC as an authorized Foreign Board of Trade. See [https://www.cftc.gov/sites/default/files/filings/documents/2019/orgeex\\_registrationorder11519.pdf](https://www.cftc.gov/sites/default/files/filings/documents/2019/orgeex_registrationorder11519.pdf).

<sup>20</sup> ICE Endex is regulated in the Netherlands by the Dutch Authority for the Financial Markets (“AFM”) as a RM, as defined in MIFID II, which is implemented in Dutch Act on Financial Supervision (“DFSA”). The license as a RM is obtained under Section 5:26(1) of the DFSA, resulting in an authorization by the Minister of Dutch Ministry of Finance to operate a RM and supervised by the AFM. In the UK, ICE Endex is a Recognized Overseas Investment Exchange by the Financial Conduct Authority. See <https://www.ice.com/endex/regulation#~:text=The%20Dutch%20Authority%20for%20Consumers,energy%20industry%20and%20wholesale%20trading>. ICE Endex is also recognized by the CFTC as an authorized Foreign Board of Trade. See <https://www.cftc.gov/sites/default/files/idx/groups/public/otherif/documents/ifdocs/orgeeregorder170110.pdf>.

<sup>21</sup> See *esma70-445-38 final report on emission allowances and associated derivatives.pdf* (europa.eu).

<sup>22</sup> See <https://ec.europa.eu/clima/ets/>. A list of the type of accounts is available at <https://union-registry-data.ec.europa.eu/report/eu-registry-accounts>.

<sup>23</sup> Carbon trading in the European Union: An economic assessment of market functioning in 2021, Oxera, p. 42 (February 15, 2022); available at <https://www.oxera.com/wp-content/uploads/2022/02/Oxera-EU-carbon-trading-report-3.pdf>.

<sup>24</sup> See “ESMA Market Report: EU carbon markets 2024” (October 2024); available at [https://www.esma.europa.eu/sites/default/files/2024-10/ESMA50-43599798-10379\\_Carbon\\_markets\\_report\\_2024.pdf](https://www.esma.europa.eu/sites/default/files/2024-10/ESMA50-43599798-10379_Carbon_markets_report_2024.pdf).

<sup>25</sup> The EUA on-exchange secondary market in 2023 included 7.6 billion EUAs traded through EUA Futures (as defined below), 1.7 billion EUAs traded through options of EUA Futures, and 30 million EUAs traded through other instruments, including spot EUAs. *Id.*

<sup>26</sup> *Id.*

### Secondary Spot EUA Market

As noted above, exchange-traded spot EUAs are traded exclusively on the EEX. The current value (spot price) for an EUA is greatly influenced by a number of factors, including regulatory changes, world events and general levels of economic activity. The trading hours for spot EUAs on EEX are 8:00 a.m. to 6:00 p.m. Central European Time ("C.E.T."). Trades concluded before 4:00 p.m. C.E.T. are settled on the next business day, or T+1, while trades after 4:00 p.m. C.E.T. are settled on the day after the first business day, or T+2. In the twelve-month period ended September 30, 2024, the average daily, monthly and annual trading volumes of spot EUAs on the EEX was 146, 2,917 and 35,009 round lots of 1000 EUAs, respectively. Over the same period, spot EUAs traded in the secondary market on EEX at their highest volume of 5,010 round lots of EUAs on December 1, 2023, and their lowest volume of 0 EUAs on five different occasions. The EEX calculates and publishes each trading day an index (the "EUA End of Day Index") reflecting

the end of day price of EUAs traded in the secondary market on EEX.<sup>29</sup>

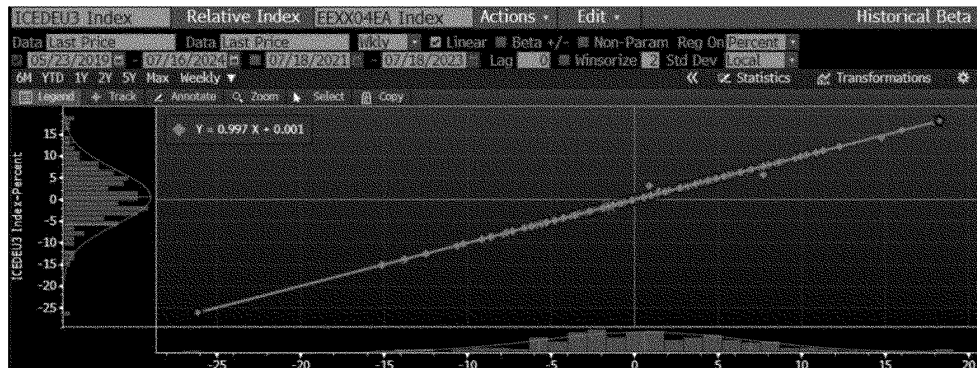
### Daily EUA Futures

Most liquidity in the secondary market is achieved by trading futures contracts. These contracts have expiration going out as far as 2030. A single day futures contract on EUAs is exclusively traded on the ICE Endex (the "Daily EUA Future"), which settles each day at the close of trading.<sup>30</sup> The Daily EUA Future is a deliverable contract where each person with a position open at cessation of trading is obliged to make or take physical delivery of EUAs upon the expiration of the contract at the end of each trading day. Settlement of the Daily EUA Future does not occur through cash transactions. Each Daily EUA Future represents one lot of 1,000 EUAs, with each EUA providing an entitlement to emit one ton of carbon dioxide equivalent gas. Generally, Daily EUA Futures trade on ICE Endex from approximately 2:00 a.m. Eastern Time ("E.T.") to approximately 12:00 p.m. E.T. The settlement price is fixed each business day and is published by ICE

Endex at approximately 12:15 E.T. Final settlement of the requisite number of EUAs versus cash occurs the first business day following the expiry day (T+1). In the twelve-month period ended September 30, 2024, the average daily, monthly and annual trading volumes of Daily EUA Futures was approximately 3,829, 78,189 and 938,279, respectively, which represents trading volumes of 3,829,000, 78,189,000 and 938,279,000 EUAs, respectively. Over the same period, Daily EUA Futures traded at their highest volume of 27,749 on April 17, 2024, representing 27,749,000 EUAs, and their lowest volume of 174 on July 26, 2024, representing 174,000 EUAs.

### Comparison of Spot EUA Market and Daily EUA Futures Market

The daily EUA End of Day Index value can be expected to be substantially identical to the daily settlement price of the Daily EUA Future. The comparison below shows a 99.8% correlation between the movements of the two values over the five years from May 23, 2019 through May 23, 2024.



Additionally, the chart below illustrates how closely the Daily EUA Future, in fact, reflects the EUA spot price during the trading day. This chart

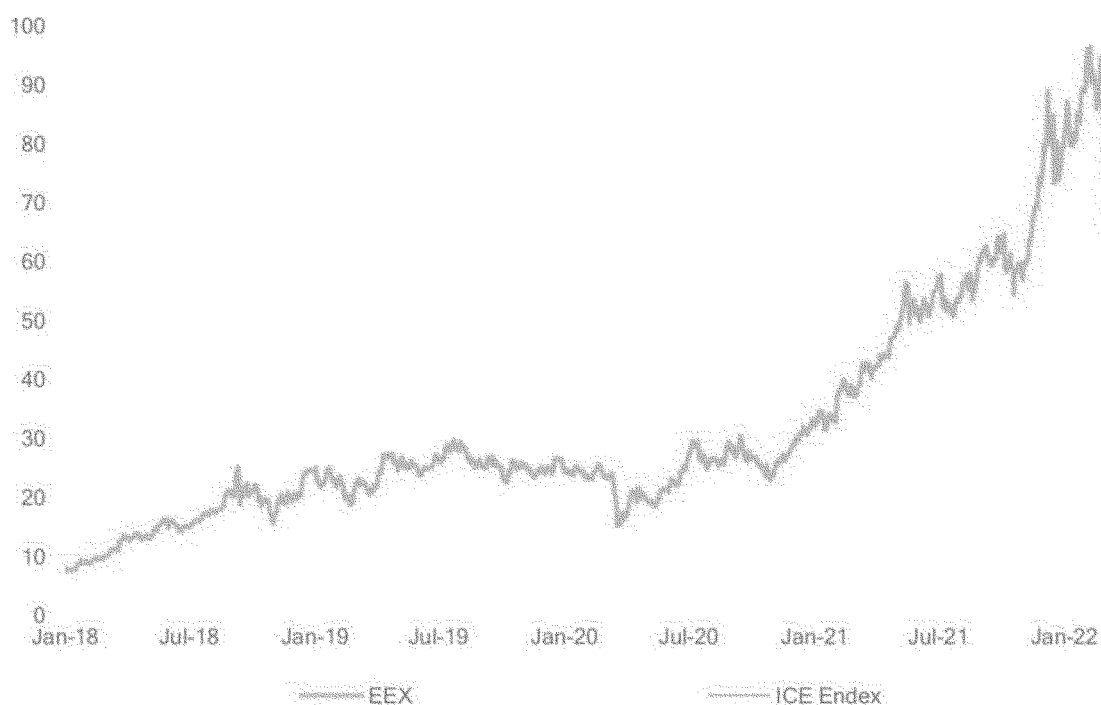
shows the prices of EUAs on the EEX and the Daily EUA Futures on ICE Endex, in EUR/tCO<sub>2</sub> from January 2018 to January 2022. No major differences

can be observed, with an average absolute difference of €0.015 between the daily settlement prices for EUAs on the EEX and ICE Endex.

<sup>29</sup> The EUA End of Day Index methodology is available at [https://www.eex.com/fileadmin/EEX/Downloads/Trading/Specifications/Indices/DE/20211005\\_Index\\_Description\\_v010.pdf](https://www.eex.com/fileadmin/EEX/Downloads/Trading/Specifications/Indices/DE/20211005_Index_Description_v010.pdf).

<sup>30</sup> All references to the "Daily EUA Future" refer to the single day EUA futures contract traded on ICE Endex. NASDAQ Oslo also offers a single day

futures contract on EUAs, but the contract is not traded.



([https://www.esma.europa.eu/sites/default/files/library/esma70-445-38\\_final\\_report\\_on\\_emission\\_allowances\\_and\\_associated\\_derivatives.pdf](https://www.esma.europa.eu/sites/default/files/library/esma70-445-38_final_report_on_emission_allowances_and_associated_derivatives.pdf): p37).

#### Other EUA Futures Contracts

EEX offers monthly EUA futures contracts for the current and next two months unless a quarterly or December future expires at that month's maturity date; quarterly futures for the current and next 11 quarters unless a December future expires at that quarter's maturity

date; and yearly, or December, futures for the next 8 years which mature in December of each respective year. ICE Endex offers up to seven December futures contracts, nine quarterly futures contracts, three August futures contracts and two monthly futures contracts. Nasdaq Oslo offers quarterly futures contracts over a rolling six year period. Currently, there is only *de minimis* trading volume in EUA Futures on Nasdaq Oslo.<sup>31</sup> The EUA Futures are fungible, meaning any EUA Futures

contract acquired on one exchange can be sold on the other exchange.

During 2023, approximately 7.6 billion EUAs, amounting to €643 billion, were traded through EUA Futures (including the Daily EUA Future). The trading volumes of the EUA Futures, including Daily EUA Futures, with expiration dates through the end of 2026 on EEX and ICE Endex for the period from January 1, 2024, through December 31, 2024, were as follows:

#### TRADING VOLUMES, JANUARY 1, 2024–DECEMBER 31, 2024

|                                  | EEX<br>(in round lots of 1,000 EUAs)                              | ICE Endex<br>(in round lots of 1,000 EUAs) |
|----------------------------------|-------------------------------------------------------------------|--------------------------------------------|
| Spot EUAs/Daily EUA Future ..... | 26,692 (Spot*) .....                                              | 895,243 (Daily EUA Futures).               |
|                                  | * Secondary spot trading does not include primary auction volume. |                                            |
| October 2024 EUA Future .....    | 59,244.                                                           |                                            |
| November 2024 EUA Future .....   | 5,816.                                                            |                                            |
| December 2024 EUA Future .....   | 308,058 .....                                                     | 7,209,746.                                 |
| March 2025 EUA Future .....      | 1,754 .....                                                       | 141,828.                                   |
| June 2025 EUA Future .....       | 7 .....                                                           | 15,019.                                    |
| August 2025 EUA Future .....     | 2,350 .....                                                       | 47,978.                                    |
| September 2025 EUA Future .....  | 602 .....                                                         | 49,420.                                    |
| December 2025 EUA Future .....   | 104,612 .....                                                     | 1,209,599.                                 |
| March 2026 EUA Future .....      |                                                                   | 21,398.                                    |
| June 2026 EUA Future.            |                                                                   |                                            |
| August 2026 EUA Future .....     |                                                                   | 9,642.                                     |
| September 2026 EUA Future.       |                                                                   |                                            |
| December 2026 EUA Future .....   | 9,949 .....                                                       | 202,818.                                   |
| Total .....                      | 454,024 .....                                                     | 9,867,742.                                 |

<sup>31</sup> For 2023, Nasdaq Oslo reported only 64 transactions in EUA Futures, for a total volume of

417 EUA Futures contracts. See <https://www.nasdaq.com/path-file/11506>.

### Options on EUA Futures Contracts

Options on EUA futures contracts are also traded on EEX and ICE Endex for many of the available EUA Futures. In 2023, approximately 1.7 billion EUAs, amounting to €900 million, were traded through options on EUA Futures. The options on EUA Futures, like the EUA Futures, are fungible and can be traded on any of the participating exchanges, regardless of the exchange on which a particular contract is acquired.

### Section 6(b)(5) and the Applicable Standards

The Commission has approved numerous Commodity-Based Trust Shares, to be listed on U.S. national securities exchanges. In order for any proposed rule change from an exchange to be approved, the Commission must determine that, among other things, the proposal is consistent with the requirements of Section 6(b)(5) of the Act, specifically including: (i) the requirement that a national securities exchange's rules are designed to prevent fraudulent and manipulative acts and practices; and (ii) the requirement that an exchange proposal be designed, in general, to protect investors and the public interest. The Exchange believes that this proposal is consistent with the requirements of Section 6(b)(5) of the Act because EEX is a member of the Intermarket Surveillance Group ("ISG") and the Exchange has entered into a comprehensive surveillance-sharing agreement ("CSSA") with ICE Endex, a regulated market of significant size for trading EUAs.

### Designed To Prevent Fraudulent and Manipulative Acts and Practices

The Exchange believes that the proposal is designed to prevent fraudulent and manipulative acts and practices and to protect investors and the public interest, consistent with Section 6(b)(5) of the Act because (1) the Exchange has information sharing arrangements in place with the EUA secondary spot markets via the Exchange's common membership with EEX in ISG and the Exchange's CSSA with ICE Endex, (2) ICE Endex is otherwise a regulated market of "significant size" with respect to EUA derivatives that shares surveillance with the Exchange, and (3) in the absence of meeting the above prongs, there are sufficient "other means to prevent fraudulent and manipulative acts and practices."

### The Exchange Has Surveillance-Sharing Arrangements With Each Regulated Spot and Derivatives Market Relating to EUA Instruments With Daily Expiry

In the present proposal, the Trust's only non-cash holdings will be EUAs. The Exchange has surveillance sharing arrangements in place with each of the EUA spot secondary markets.

The Exchange and EEX is each a member of the ISG,<sup>32</sup> which provides a global network for the sharing of information and the coordination of regulatory efforts among exchanges trading securities and other products to address potential intermarket manipulation and trading abuses. In effect, the ISG is an information sharing cooperative governed by a written agreement, formed to facilitate certain regulatory responsibilities of its members in connection with market surveillance. Further, a prerequisite to ISG membership is that the member exchange is not subject to local laws or regulations that prevent information sharing. Information is shared upon request and may only be used for regulatory purposes. Accordingly, EEX is obligated, and has undertaken a commitment, to share information with the Exchange including, but not limited to, with respect to spot EUA. The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in the Shares with other markets and other entities that are members of the ISG, and the Exchange or FINRA, on behalf of the Exchange, or both, may obtain trading information regarding trading in the Shares from such markets and other entities.

In addition, the Daily EUA Futures market is the functional equivalent of a "spot" market for EUAs. The purchase and sale of Daily EUA Futures is the functional and economic equivalent of transactions in spot EUAs. The settlement, functionality and economic outcome for a spot purchase on the EEX and a Daily EUA Future purchase on the ICE Endex are identical. Because the Daily EUA Future is physically settled through the delivery of one lot of EUAs to the purchaser of the Daily EUA Future, whether the Trust acquires an EUA through a transaction on the EEX or through the acquisition of a Daily EUA Future on ICE Endex, the Trust will acquire the same EUA on a T+1 basis. It is not possible for an acquirer to roll a same day futures contract to a later dated future, as each day it would expire and the market participant would end up holding physical EUAs.

<sup>32</sup> For a list of the current members of ISG, see [www.isgportal.org](http://www.isgportal.org).

Therefore, the Daily EUA Futures market is equivalent to a spot market.

The EEX's primary role in the EUA ecosystem is to serve as the venue for the daily auctions of EUAs. The predominant market for trading EUA instruments with daily expiry is the ICE Endex Daily EUA Futures market, with nominal secondary market trading taking place on EEX or in the OTC market. As noted above, for the twelve-month period ended September 30, 2024, the average daily trading volume of Daily EUA Futures on ICE Endex was approximately 3,829 contracts, representing 3,829,000 EUAs, whereas the average daily trading volume of spot EUAs on the EEX was 146 lots, representing 146,000 EUAs. Therefore, over that one-year period, approximately 96% of all secondary market trading of EUA spot instruments with daily expiry occurred on the ICE Endex. Therefore, because a Daily EUA Future is functionally identical to a physical EUA, and the ICE Endex serves as the predominant market for the trading of "spot" EUAs, the Exchange's CSSA with ICE Endex will serve to detect and deter fraudulent and manipulative acts and practices in the EUA market.

### ICE Endex Is a Regulated Market of Significant Size for EUAs

The Commission has further stated that "[c]onsistent with the discussion of 'significant market' . . . , the Commission has not previously, and does not now, require that [a] listing exchange be able to enter into a surveillance-sharing agreement with each regulated spot or derivatives market relating to an underlying asset, provided that the market or markets with which there is such an agreement constitute a 'significant market.'"<sup>33</sup> With respect to the Trust, the underlying assets are EUAs. The relevant analysis, therefore, is whether the Exchange has a CSSA with a regulated "market of significant size" related to EUAs.<sup>34</sup> The Exchange

<sup>33</sup> See Securities Exchange Act Release No. 83723 (July 26, 2018), 83 FR 37579 (August 1, 2018) (Order Setting Aside Action by Delegated Authority and Disapproving a Proposed Rule Change, as Modified by Amendments No. 1 and 2, to List and Trade Shares of the Winklevoss Bitcoin Trust) (the "Winklevoss Order").

<sup>34</sup> See Securities Exchange Act Release No. 88284 (February 26, 2020), 85 FR 12595 (March 3, 2020) (SR-NYSEArca-2019-39) (Order Disapproving a Proposed Rule Change, as Modified by Amendment No. 1, to Amend NYSE Arca Rule 8.201-E (Commodity-Based Trust Shares) and to List and Trade Shares of the United States Bitcoin and Treasury Investment Trust Under NYSE Arca Rule 8.201-E).

satisfies this requirement through its CSSA with ICE Endex.

The Commission has emphasized that it is essential for an exchange listing a derivative securities product to enter into a surveillance-sharing agreement with markets trading the underlying assets for the listing exchange to have the ability to obtain information necessary to detect, investigate, and deter fraud and market manipulation, as well as violations of exchange rules and applicable federal securities laws and rules.<sup>35</sup> Comprehensive surveillance-sharing agreements “provide a necessary deterrent to manipulation because they facilitate the availability of information needed to fully investigate a manipulation if it were to occur.”<sup>36</sup> The hallmarks of a surveillance-sharing agreement are that the agreement provides for the sharing of information about market trading activity, clearing activity, and customer identity; that the parties to the agreement have reasonable ability to obtain access to and produce requested information; and that no existing rules, laws, or practices would impede one party to the agreement from obtaining this information from, or producing it to, the other party.<sup>37</sup>

#### The ICE Endex Futures Market Is a Regulated Market

As discussed more below, ICE Endex is subject to the EU regulatory framework for EUAs and EUA derivatives.<sup>38</sup> The EU regulatory framework includes the Markets in Financial Instruments Directive and Regulation (“MiFID II” and “MiFIR”), the Market Abuse Regulation (“MAR”) and the European Market Infrastructure Regulation (“EMIR”). MiFID II and MiFIR together is a framework governing investment firms, trading venues, data reporting service providers and non-EU investment firms that provide investment services in the EU. The MAR prohibits insider dealing, unlawful disclosure of inside information and market manipulation and provides broad powers to the national competent authorities (“NCAs”) for detection and prosecution of violations. EMIR regulates OTC

derivatives transactions, central counterparties and trade repositories. It is critical for ICE Endex to maintain fair and orderly markets. A fair and orderly market is necessary to maintain a level playing field for trading participants, to attract new participants, and to attract trading activity. ICE Endex has an extensive framework in place to facilitate the existence of such fair and orderly markets, including the performance of market surveillance activities that allow for the monitoring of market activity, including intra-day activity, and the detection of irregular trading behavior that could negatively impact the integrity of ICE Endex or constitute breaches of statutory law or regulations in the form of market abuse by market participants.

#### The ICE Endex Futures Market Is a Market of Significant Size

In the Winklevoss Order, the Commission stated that the term “significant market” or “market of significant size” includes a market (or group of markets) as to which (1) there is a reasonable likelihood that a person attempting to manipulate the Trust would also have to trade on that market to successfully manipulate the Trust, so that a surveillance-sharing agreement would assist in detecting and deterring misconduct, and (2) it is unlikely that trading in the Trust would be the predominant influence on prices in that market.<sup>39</sup> The Commission explained that this definition is illustrative and not exclusive, and that there could be other types of “significant markets” and “markets of significant size.”<sup>40</sup>

#### Any Manipulator Would Have To Trade on ICE Endex

The first prong of the analysis addresses whether the surveillance-sharing agreement on which the fund’s listing exchange proposes to rely would assist in detecting and deterring fraudulent or manipulative misconduct related to the assets held by the fund. In the present proposal, the Trust’s only non-cash holdings will be EUAs. The predominant market for trading EUA instruments with daily expiry is the ICE Endex Daily EUA Futures market, with nominal secondary market trading taking place on EEX or over-the-counter. The EEX’s primary role in the EUA ecosystem is to serve as the venue for the daily auctions of EUAs.

The regulated market of significant size test does not require that the spot EUA market be subject to direct surveillance by the Exchange in order

for the Commission to approve this proposal, and precedent makes clear that an underlying market for a spot commodity or currency being a surveilled market would actually be an exception to the norm. These largely un-surveilled currency and commodity markets do not provide the same protections as the markets that are subject to the Commission’s oversight, but the Commission has consistently looked to surveillance sharing agreements with the underlying futures market in order to determine whether such products were consistent with the Act. With this in mind, the ICE Endex EUA Futures market is an appropriate market to consider in determining whether there is a related regulated market of significant size.

ICE Endex is the only market for trading Daily EUA Futures and, as noted above, for the twelve-months ended September 30, 2024, the average daily trading volume of Daily EUA Futures on the ICE Endex was 3,829 contracts, representing 3,829,000 EUAs, whereas the average daily trading volume on the EEX was 146 round lots, representing 146,000 EUAs. Therefore, over that one year period, over 96% of all on-exchange secondary market trading of EUA spot instruments with daily expiry (which, as described above, includes spot EUAs and Daily EUA Futures) occurred on the ICE Endex. With respect to secondary market trading for EUAs and EUA based derivatives more broadly, the chart above shows that, year-to-date through September 30, 2024, approximately 96% of all trades in EUAs and EUA Futures dated through December 2026 occurred on ICE Endex.<sup>41</sup>

Given the size of the ICE Endex futures markets, especially the Daily EUA Futures market, the Sponsor believes such markets meet the Commission’s definition of “significant market” because there is a reasonable likelihood that a person attempting to manipulate the Trust would also have to trade on that market to successfully manipulate the Trust, since arbitrage between the derivative and spot markets would tend to counter an attempt to manipulate the spot market alone. Of the 256 members of ICE Endex, 151 are also members of EEX. Each of these exchange members acts on behalf of their clients, each member in common between the exchanges represents potentially hundreds of accounts that can and do act on both markets to effect arbitrage transactions. Therefore, a

<sup>35</sup> See Amendment to Rule Filing Requirements for Self-Regulatory Organizations Regarding New Derivative Securities Products, Securities Exchange Act Release No. 40761 (Dec. 8, 1998), 63 FR 70952, 70959 (Dec. 22, 1998).

<sup>36</sup> *Id.* See also Winklevoss Order, 83 FR at 37594.

<sup>37</sup> See Winklevoss Order, 83 FR at 37592–93 (discussing Letter from Brandon Becker, Director, Division of Market Regulation, Commission, to Gerard D. O’Connell, Chairman, Intermarket Surveillance Group (June 3, 1994), available at <https://www.sec.gov/divisions/marketreg/mr-noaction/isg060394.htm>).

<sup>38</sup> See *supra*, note 13.

<sup>39</sup> See Winklevoss Order, 83 FR at 37594.

<sup>40</sup> *Id.*

<sup>41</sup> See *esma70-445-38\_final\_report\_on\_emission\_allowances\_and\_associated\_derivatives.pdf* (europa.eu).

sufficient number of arbitrageurs have access to both the EEX and ICE Endex such that any attempt to manipulate one market that causes a difference between the EUA spot price and the Daily EUA Futures price would likely be exploited. This will serve to maintain the EUA price correlation between EEX and ICE Endex. Any attempt to manipulate the spot EUA market alone would likely be impossible because arbitrage would correct any movements in the spot market to bring the prices of spot EUAs back in line with the settlement price of the Daily EUA Future. Therefore, any person attempting to manipulate the Trust Shares would also have to trade in the Daily EUA Futures market (ICE Endex) to manipulate the spot and futures markets in tandem.<sup>42</sup>

<sup>42</sup> The Commission has granted several prior proposals to list and trade shares of physical commodity-based exchange-traded products, noting in every case that there was at least one regulated market of significant size for trading futures in the underlying commodity—whether gold, silver, platinum, palladium or copper—and the product's listing exchange has entered into surveillance-sharing agreements with, or held Intermarket Surveillance Group ("ISG") membership in common with, that market. See Securities Exchange Act Release Nos. 61220 (December 22, 2009), 74 FR 68895, 68896 (December 29, 2009) (SR–NYSEArca–2009–94) (notice of proposed rule change included NYSE Arca's representation that "[t]he most significant palladium futures exchanges are the NYMEX and the Tokyo Commodity Exchange," that "NYMEX is the largest exchange in the world for trading precious metals futures and options," and that NYSE Arca "may obtain trading information via the Intermarket Surveillance Group," of which NYMEX is a member; 61219 (December 22, 2009), 74 FR 68886, 68887–88 (December 29, 2009) (SR–NYSEArca–2009–95) (notice of proposed rule change included NYSE Arca's representation that "[t]he most significant platinum futures exchanges are the NYMEX and the Tokyo Commodity Exchange," that "NYMEX is the largest exchange in the world for trading precious metals futures and options," and that NYSE Arca "may obtain trading information via the Intermarket Surveillance Group," of which NYMEX is a member; 62692 (August 11, 2010), 75 FR 50789, 50790 (August 17, 2010) (SR–NYSEArca–2010–56) (notice of proposed rule change included NYSE Arca's representation that "the most significant gold, silver, platinum and palladium futures exchanges are the COMEX and the TOCOM" and that NYSE Arca "may obtain trading information via the Intermarket Surveillance Group," of which COMEX is a member; 62875 (September 9, 2010), 75 FR 56156, 56158 (September 15, 2010) (SR–NYSEArca–2010–71) (notice of proposed rule change included NYSE Arca's representation that "the most significant silver, platinum and palladium futures exchanges are the COMEX and the TOCOM" and that NYSE Arca "may obtain trading information via the Intermarket Surveillance Group," of which COMEX is a member; 63464 (December 8, 2010), 75 FR 77926, 77928 (December 14, 2010) (SR–NYSEArca–2010–95) (notice of proposed rule change included NYSE Arca's representation that "the most significant gold futures exchanges are the COMEX and the Tokyo Commodity Exchange," that "COMEX is the largest exchange in the world for trading precious metals futures and options," and that NYSE Arca "may obtain trading information via the Intermarket Surveillance Group," of which COMEX is a member; 68430 (December 13, 2012),

Similarly, it is unlikely that the price of EUAs could be manipulated by trading other EUA based derivatives on the EEX alone. With respect to EUA Futures other than the Daily EUA Future, the size and predominance of ICE Endex would make it impossible to manipulate the price of EUAs through trading EUA Futures on the EEX alone. The fungibility of EUA Futures and the significant overlap in exchange membership would cause arbitrage activity to bring the settlement prices of EUA Futures traded on EEX in line with the settlement price of EUA Futures traded on ICE Endex. In addition, because the options on EUA Futures reference EUA Futures, the prices of EUA Futures would reflect any attempt by a would-be manipulator to manipulate the price of the Fund's Shares through the use of options. Therefore, any would-be manipulator would have to manipulate the prices of EUA Futures Contracts in order to manipulate the price of the Fund's Shares, and the size of predominance of the ICE Endex would require that would-be manipulator to trade on ICE Endex.

#### The Trust Is Unlikely To Be the Predominant Influence on Price

It is unlikely that trading in the Trust Shares would be the predominant influence on Daily EUA Futures prices traded on ICE Endex for a number of reasons, including the significant volume in and size of the EUA daily expiry market (meaning the Daily EUA Futures market, in effect). In 2023, the total EUA market size was approximately €764.1 billion with approximately €67.1 billion of that attributable to the Daily EUA Futures market and €3.4 billion attributable to spot EUAs. The daily average trading volume in 2023 for EUAs across the on-exchange secondary market was approximately €2.6 billion, with approximately €266.3 million attributable to trading in the Daily EUA

77 FR 75239, 75240–41 (December 19, 2012) (SR–NYSEArca–2012–111) (notice of proposed rule change included NYSE Arca's representation that "[f]utures on platinum and palladium are traded on two major exchanges: The New York Mercantile Exchange . . . and Tokyo Commodities Exchange" and that NYSE Arca "may obtain trading information via the Intermarket Surveillance Group," of which COMEX is a member; 71378 (January 23, 2014), 79 FR 4786, 4786–87 (January 29, 2014) (SR–NYSEArca–2013–137) (notice of proposed rule change included NYSE Arca's representation that "COMEX is the largest gold futures and options exchange" and that NYSE Arca "may obtain trading information via the Intermarket Surveillance Group," including with respect to transactions occurring on COMEX pursuant to CME and NYMEX's membership, or from exchanges "with which [NYSE Arca] has in place a comprehensive surveillance sharing agreement.")

Futures market and €13.5 million attributable to trading in spot EUAs. The Trust has not yet launched and cannot predict its future inflows; however, given the size of the Daily EUA Futures market and the EUA market, as a whole, the Sponsor does not anticipate that the Trust will have available capital to buy and sell EUAs in an amount that would move the EUA market or that investors would be able to trade Trust Shares at such a volume as to influence Daily EUA Futures prices on ICE Endex. Additionally, the trading hours for the ICE Endex (*i.e.*, EUA Futures market) are approximately 2:00 a.m. E.T. to approximately 12:00 p.m. E.T. The majority of this time period (7.5 hours) is outside of the Trust's trading hours of 9:30 a.m. E.T. to 4:00 p.m. E.T. As such, it is unlikely that trading in the Trust's Shares would be the primary influencer of the EUA Futures prices traded on ICE Endex, because the ICE Endex is actively traded for 7.5 hours during which the Trust Shares cannot be traded.

#### Other Means To Prevent Fraudulent and Manipulative Acts and Practices

The Commission has previously approved or disapproved exchange filings to list and trade series of Trust Issued Receipts, including spot-based Commodity-Based Trust Shares, on the basis of whether the listing exchange has in place a comprehensive surveillance sharing agreement with a regulated market of significant size related to the underlying commodity to be held. The Commission has also consistently recognized, however, that this is not the *exclusive* means by which an ETP listing exchange can meet this statutory obligation. A listing exchange could, alternatively, demonstrate that "other means to prevent fraudulent and manipulative acts and practices will be sufficient" to justify dispensing with a surveillance-sharing agreement with a regulated market of significant size. Both EEX and ICE Endex are subject to the EU regulatory framework for EUAs and EUA derivatives. The EU regulatory framework includes the Markets in Financial Instruments Directive and Regulation ("MiFID II" and "MiFIR"), the Market Abuse Regulation ("MAR") and the European Market Infrastructure Regulation ("EMIR").<sup>43</sup> MiFID II and MiFIR together is a framework governing investment firms, trading venues, data reporting service providers and non-EU investment firms that

<sup>43</sup> Carbon trading in the European Union: An economic assessment of market functioning in 2021, Oxera, p. 26 (February 15, 2022); available at <https://www.oxera.com/wp-content/uploads/2022/02/Oxera-EU-carbon-trading-report-3.pdf>.

provide investment services in the EU.<sup>44</sup> The MAR prohibits insider dealing, unlawful disclosure of inside information and market manipulation and provides broad powers to the national competent authorities (“NCAs”) for detection and prosecution of violations.<sup>45</sup> EMIR regulates OTC derivatives transactions, central counterparties and trade repositories.<sup>46</sup> ESMA is the EU’s overall financial markets regulator that has supervisory authority over the NCAs.<sup>47</sup> Under the EU regulatory framework, there are three lines of defense against market abuse.<sup>48</sup> At the firm level (first line), firms are required to have systems and procedures in place to ensure that abusive trading is detected and reported to NCAs. At the market operator, investment firm and trading venue level (second line), these entities are required to identify and report suspicious transactions and maintain policies and procedures to prevent market abuse. Additionally, exchanges such as EEX and ICE Endex are required to report information to the relevant authorities on a daily basis. At the NCA level (third line), NCAs have market surveillance systems in place to monitor markets and identify and investigate suspicious transactions. NCAs have broad enforcement power and cooperate with each other and ESMA to obtain the information needed for optimal surveillance and in order to prosecute violations.<sup>49</sup> Exchanges (such as EEX and ICE Endex) and governmental authorities share information and communicate frequently regarding monitoring activities.<sup>50</sup>

While the Exchange is not a participant in the EU regulatory framework, the Exchange believes that the EU’s robust oversight and monitoring regime, in addition to the Exchange’s CSSA with ICE Endex which would allow for the sharing of information and thus provide sufficient

means to prevent fraudulent and manipulative acts and practices.

#### Designed To Protect Investors and the Public Interest

The Exchange believes that the proposal is designed to protect investors and the public interest. The Exchange believes that the concerns related to the prevention of fraudulent and manipulative acts and practices have been sufficiently addressed for this proposal to be consistent with the Act. As such, the Exchange believes that approving this proposal provides the Commission with the opportunity to allow U.S. investors to access EUAs in a regulated and transparent exchange-traded vehicle that would act to limit risk and benefit U.S. investors by: (i) reducing premium and discount volatility as compared to OTC investment vehicles; (ii) increasing competitive pressure on management fees resulting in fee compression/reductions; (iii) reducing risks and costs as compared to those associated with investing in EUAs; and (iv) providing an alternative to maintaining custody of EUAs.

#### Creation and Redemption of Shares

According to the Registration Statement, the Trust will create and redeem Shares on a continuous basis in one or more Creation Units. A “Creation Unit” equals a block of 50,000 Shares, which amount may be revised from time-to-time. The Trust will issue Shares in Creation Units to certain authorized participants (“Authorized Participants”) on an ongoing basis. Each Authorized Participant must be a registered broker-dealer or other securities market participant such as a bank or other financial institution which is not required to register as a broker-dealer to engage in securities transactions, a participant in The Depository Trust Company (“DTC”) and have entered into an agreement with the Sponsor and the Transfer Agent (the “Participant Agreement”).

Creation Units may be created or redeemed only by Authorized Participants. The creation and redemption of Creation Units is made in exchange for the delivery to the Trust or the distribution by the Trust of the amount of EUAs, or the amount of cash sufficient to purchase the amount of EUAs, represented by the Creation Units being created or redeemed. The amount of EUAs or cash required to be delivered to the Trust in connection with any creation, or paid out upon redemption, is based on the combined net asset value of the number of Shares included in the Creation Units being created or

redeemed as determined on the day the order to create or redeem Creation Units is properly received and accepted. Orders must be placed by 11:00 a.m. New York time. The day on which the Administrator receives a valid purchase or redemption order is the order date. Creation Units may only be issued or redeemed on a day that the Exchange is open for regular trading.

For a cash creation, an Authorized Participant will deliver the cash to the Trust’s account at the Cash Custodian, which the Sponsor will then use to purchase EUAs from a third party selected by the Sponsor who (1) is not an Authorized Participant and (2) will not be acting as an agent, nor at the discretion, of the Authorized Participant with respect to the delivery of EUAs to the Trust (such third party, a “Liquidity Provider”). For a cash redemption, the Sponsor shall arrange for the EUAs represented by the Creation Units to be sold to a Liquidity Provider selected by the Sponsor and the cash proceeds distributed from the Trust’s account at the Cash Custodian to the Authorized Participant in exchange for its Shares. In the case of “in-kind” creation or redemption orders for Shares, an Authorized Participant may deliver or direct the delivery of EUAs by third parties, or take delivery or direct the taking of delivery of EUAs by third parties.

For cash creations, an Authorized Participant who places a purchase order is responsible for arranging for the delivery to the Trust’s account with the Cash Custodian of the required cash deposit by 2:00 p.m. New York time on the first business day following the purchase order date. The Liquidity Provider delivers EUAs to the Trust’s Union Registry account in exchange for the cash purchase price. Upon settlement of the EUA purchase from the Liquidity Provider into the Trust’s Union Registry account, the Trust instructs the Transfer Agent to release the Shares to the Authorized Participant, and the Transfer Agent directs DTC to credit the number of Shares ordered to the applicable DTC account, by close of business on the purchase settlement date.

For in-kind creation orders, an Authorized Participant who places a purchase order is responsible for arranging for the delivery to the Trust’s Union Registry account the required EUA deposit by 2:00 p.m. New York time on the first business day following the order date. Upon receipt of the EUA deposit amount in the Trust’s Union Registry account, the Union Registry will notify the Sponsor that the EUAs have been deposited. Upon receipt of

<sup>44</sup> MiFID II Overview, Practical Law Financial Services.

<sup>45</sup> See *esma70-445-38\_final\_report\_on\_emission\_allowances\_and\_associated\_derivatives.pdf* (europa.eu).

<sup>46</sup> Carbon trading in the European Union: An economic assessment of market functioning in 2021, Oxera, p. 61 (February 15, 2022); available at <https://www.oxera.com/wp-content/uploads/2022/02/Oxera-EU-carbon-trading-report-3.pdf>.

<sup>47</sup> <https://www.esma.europa.eu/about-esma>.

<sup>48</sup> See *esma70-445-38\_final\_report\_on\_emission\_allowances\_and\_associated\_derivatives.pdf* (europa.eu).

<sup>49</sup> *Id.*

<sup>50</sup> Carbon trading in the European Union: An economic assessment of market functioning in 2021, Oxera, p. 26–27 (February 15, 2022); available at <https://www.oxera.com/wp-content/uploads/2022/02/Oxera-EU-carbon-trading-report-3.pdf>.

confirmation from the Union Registry that the EUA deposit amount has been received, the Administrator will direct DTC to credit the number of Shares created to the Authorized Participant's DTC account.

According to the Registration Statement, the redemption distribution due from the Trust will be delivered once the Administrator notifies the Sponsor that the Authorized Participant has delivered the Shares to be redeemed to the Trust's DTC account. The redemption distribution will be delivered to the Authorized Participant on the first business day following the order date.

For cash redemptions, on the redemption settlement date, the Liquidity Provider delivers cash to the Trust's account with the Cash Custodian in exchange for the redemption EUAs amount. Upon settlement of the EUA sale by the Trust to the Liquidity Provider and the receipt of the Liquidity Provider's cash in the Trust's Cash Custodian account, the Trust instructs the Transfer Agent to deliver the Authorized Participant's Shares to be redeemed back to the Trust, in exchange for which the Trust instructs the Cash Custodian to transfer the requisite cash to the Authorized Participant's designated bank account and the redemption order is settled.

For in-kind redemptions, once the Administrator notifies the Sponsor that the Shares have been received in the Trust's DTC account, the Sponsor instructs the Union Registry to transfer the redemption EUA amount from the Trust's Union Registry account to the Union Registry account of the Authorized Participant or its agent.

The Sponsor is the only entity that may initiate a withdrawal of EUAs from the Trust's Union Registry account, and the only accounts that may receive EUAs from the Trust's Union Registry account are the Union Registry accounts of the Authorized Participants and Liquidity Providers, their agents or the Sponsor.

#### Net Asset Value ("NAV")

The Trust's NAV is calculated by taking the current market value of its total assets, less any liabilities of the Trust, and dividing that total by the total number of outstanding Shares.

The Administrator will calculate the NAV of the Trust once each Exchange trading day. The NAV for a normal trading day will be released after the end of the Core Trading Session, which is typically 4 p.m. New York time. The NAV for the Trust's Shares will be disseminated daily to all market participants at the same time. The

Administrator will use the settlement price for the Daily EUA Futures established by ICE Endex to calculate the NAV. The Administrator also converts the value of Euro denominated assets into US Dollar equivalent using published foreign currency exchange prices by an independent pricing vendor. Third parties supplying quotations or market data may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors, brokers and other sources of market information.

#### Indicative Fund Value ("IFV")

In order to provide updated information relating to the Trust for use by investors and market professionals, an updated IFV will be made available through on-line information services throughout the Exchange Core Trading Session (normally 9:30 a.m. to 4:00 p.m. E.T.) on each trading day. The IFV will be calculated by using the prior day's closing NAV per Share of the Trust as a base and updating that value throughout the trading day to reflect changes in the most recently reported mid-point of the bid-ask spread of the Daily EUA Future. The IFV disseminated during NYSE Arca Core Trading Session hours should not be viewed as an actual real time update of the NAV, because the NAV will be calculated only once at the end of each trading day based upon the relevant end of day values of the Trust's investments. Although the IFV will be disseminated throughout the Core Trading Session, the customary trading hours for EUAs are 2 a.m. to 12 p.m. Eastern Time. During the gap in time at the end of each trading day during which the Shares are traded on the Exchange, but real-time trading prices for EUAs are not available, the IFV will be calculated based on the last reported mid-point of the bid-ask spread of the Daily EUA Future in the immediately preceding trading session until the day's settlement price is reported, in which case the day's settlement price will be used.

The IFV will be disseminated on a per Share basis every 15 seconds during the NYSE Arca Core Trading Session.

#### Availability of Information

The NAV for the Trust's Shares will be widely disseminated each day to all market participants at the same time. The intraday, closing prices, and settlement prices for EUAs will be readily available from the applicable futures exchange websites, automated quotation systems, published or other public sources, or major market data

vendors. The IFV per Share for the Shares will be disseminated by one or more major market data vendors on at least a 15 second delayed basis as required by NYSE Arca Rule 8.201–E(e)(2)(v).

Complete real-time data for EUAs and Daily EUA Futures is available by subscription through on-line information services. Quotation and last-sale information regarding the Shares will be disseminated through the facilities of the Consolidated Tape Association. The IFV will be available through on-line information services. The trading prices for EUAs and Daily EUA Futures will be disseminated by on-line subscription services or by one or more major market data vendors during the NYSE Arca Core Trading Session of 9:30 a.m. to 4:00 p.m. E.T.

EEX also provides on its website, on a daily basis, transaction volumes and transaction prices for the EUA spot market. ICE Endex provides on its website, on a daily basis, transaction volumes, transaction prices, daily settlement prices and historical settlement prices for Daily EUA Futures that were traded outside of block trades by EUA futures brokers. In addition, transaction volumes, transaction prices, daily settlement prices and historical settlement prices for Daily EUA Futures traded in block trades by futures brokers are available on a daily basis through a subscription service to ICE Endex. However, ICE Endex provides the daily settlement price change of the Daily EUA Future on its website.

In addition, the Trust's website ([www.cotwoadvisors.com](http://www.cotwoadvisors.com)) will contain the following information, on a per Share basis, for the Trust: (a) the prior business day's end of day closing NAV; (b) the Official Closing Price<sup>51</sup> or the midpoint of the national best bid and the national best offer ("NBBO") as of the time the NAV is calculated ("Bid-Ask Price"); (c) calculation of the premium or discount of the Official Closing Price against the NAV expressed as a percentage of such NAV; (d) the prospectus; and (e) other applicable quantitative information. The Trust will also provide website disclosure of its EUA holdings before 9:30 a.m. E.T. on each trading day.

The Trust's website will be publicly available prior to the public offering of Shares and accessible at no charge. The website disclosure of the Trust's daily holdings will occur at the same time as

<sup>51</sup> The term "Official Closing Price" is defined in NYSE Arca Rule 1.1(l) as the reference price to determine the closing price in a security for purposes of Rule 7–E Equities Trading, and the procedures for determining the Official Closing Price are set forth in that rule.

the disclosure by the Trust of the daily holdings to Authorized Participants so that all market participants are provided daily holdings information at the same time. Therefore, the same holdings information will be provided on the public website as well as in electronic files provided to Authorized Participants. Accordingly, each investor will have access to the current daily holdings of the Trust through the Trust's website. In addition, information regarding market price and trading volume of the Shares will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services. Information regarding the previous day's closing price and trading volume information for the Shares will be published daily in the financial section of newspapers.

#### Trading Rules

The Exchange deems the Shares to be equity securities, thus rendering trading in the Shares subject to the Exchange's existing rules governing the trading of equity securities. Trading in the Shares on the Exchange will occur in accordance with NYSE Arca Rule 7.34–E (Early, Core, and Late Trading Sessions). The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions. As provided in NYSE Arca Rule 7.6–E, the minimum price variation (“MPV”) for quoting and entry of orders in equity securities traded on the NYSE Arca Marketplace is \$0.01, with the exception of securities that are priced less than \$1.00, for which the MPV for order entry is \$0.0001.

The Shares will conform to the initial and continued listing criteria under NYSE Arca Rule 8.201–E. The trading of the Shares will be subject to NYSE Arca Rule 8.201–E(g), which sets forth certain restrictions on Equity Trading Permit (“ETP”) Holders acting as registered Market Makers in Commodity-Based Trust Shares to facilitate surveillance. The Exchange represents that, for initial and continued listing, the Trust will be in compliance with Rule 10A–3<sup>52</sup> under the Act, as provided by NYSE Arca Rule 5.3–E. A minimum of 100,000 Shares will be outstanding at the commencement of trading on the Exchange.

As a general matter, the Exchange has regulatory jurisdiction over its ETP Holders and their associated persons, which include any person or entity

controlling an ETP Holder. To the extent the Exchange may be found to lack jurisdiction over a subsidiary or affiliate of an ETP Holder that does business only in commodities or futures contracts, the Exchange could obtain information regarding the activities of such subsidiary or affiliate through surveillance sharing agreements with regulatory organizations of which such subsidiary or affiliate is a member.

#### Trading Halts

With respect to trading halts, the Exchange may consider all relevant factors in exercising its discretion to halt or suspend trading in the Shares. Trading on the Exchange in the Shares may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. These may include: (1) the extent to which conditions in the underlying carbon credit market have caused disruptions and/or lack of trading, or (2) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present. In addition, trading in Shares will be subject to trading halts caused by extraordinary market volatility pursuant to the Exchange's “circuit breaker” rule.<sup>53</sup>

The Exchange may halt trading during the day in which an interruption occurs to the dissemination of the IFV, as described above. If the interruption to the dissemination of the IFV persists past the trading day in which it occurs, the Exchange will halt trading no later than the beginning of the trading day following the interruption. In addition, if the Exchange becomes aware that the NAV with respect to the Shares is not disseminated to all market participants at the same time, it will halt trading in the Shares until such time as the NAV is available to all market participants.

#### Surveillance

The Exchange represents that trading in the Shares will be subject to the existing trading surveillances administered by the Exchange, as well as cross-market surveillances administered by the Financial Industry Regulatory Authority Inc. (“FINRA”), on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws.<sup>54</sup> The Exchange represents that these procedures are

adequate to properly monitor Exchange trading of the Shares in all trading sessions and to deter and detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.

The surveillances referred to above generally focus on detecting securities trading outside their normal patterns, which could be indicative of manipulative or other violative activity. When such situations are detected, surveillance analysis follows and investigations are opened, where appropriate, to review the behavior of all relevant parties for all relevant trading violations.

The Exchange has entered into a CSSA with ICE Endex. Pursuant to the CSSA, the Exchange will communicate as needed regarding trading in the Shares and EUA derivatives, including Daily EUA Futures, with ICE Endex, and the Exchange may obtain trading information regarding trading in the Shares and EUA derivatives, including Daily EUA Futures, from ICE Endex. Additionally, pursuant to its membership in ISG, EEX is obligated, and has undertaken a commitment, to share information with other ISG members, including the Exchange, on an as-needed basis when such surveillance-sharing information is used for regulatory purposes including, but not limited to, with respect to spot EUA.

The Exchange represents that all EUAs held by the Trust will be held and maintained in the Union Registry and that the Trust will not invest in futures, options, options on futures, or swap contracts. It is possible that EUAs and Daily EUA Futures may become listed on other exchanges that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.

Additionally, the Exchange is able to obtain information regarding trading in the Shares in connection with ETP Holders' proprietary or customer trades which they effect through ETP Holders on any relevant market. Additionally, under NYSE Arca Rule 8.201–E(g), an ETP Holder acting as a registered Market Maker in the Shares is required to provide the Exchange with information relating to its accounts for trading in any underlying commodity, related futures or options on futures, or any other related derivatives. As a general matter, the Exchange has regulatory jurisdiction over its ETP Holders and their associated persons, which include any person or entity controlling an ETP Holder. To the extent the Exchange may be found to lack jurisdiction over a subsidiary or affiliate of an ETP Holder that does business only in commodities

<sup>52</sup> With respect to the application of Rule 10A–3 (17 CFR 240.10A–3) under the Act, the Trust relies on the exemption contained in Rule 10A–3(c)(7).

<sup>53</sup> See NYSE Arca Rule 7.12–E.

<sup>54</sup> FINRA conducts cross-market surveillances on behalf of the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under this regulatory services agreement.

or futures contracts and that subsidiary or affiliate is a member of another regulatory organization, the Exchange could obtain information regarding the activities of such subsidiary or affiliate through a surveillance sharing agreement with that regulatory organization.

All statements and representations made in this filing regarding (a) the description of the portfolio or reference assets, (b) limitations on portfolio holdings or reference assets, or (c) the applicability of Exchange listing rules specified in this rule filing shall constitute continued listing requirements for listing the Shares on the Exchange.

The Trust has represented to the Exchange that it will advise the Exchange of any failure by the Trust to comply with the continued listing requirements, and, pursuant to its obligations under Section 19(g)(1) of the Act, the Exchange will monitor for compliance with the continued listing requirements. If the Exchange becomes aware that the Trust is not in compliance with the applicable listing requirements, the Exchange will commence delisting procedures under NYSE Arca Rule 5.5–E(m).

#### Information Bulletin

Prior to the commencement of trading, the Exchange will inform its ETP Holders in an Information Bulletin of the special characteristics and risks associated with trading the Shares. Specifically, the Information Bulletin will discuss the following: (1) the procedures for purchases and redemptions of Shares in Creation Units (including noting that Shares are not individually redeemable); (2) NYSE Arca Rule 9.2–E(a), which imposes a duty of due diligence on its ETP Holders to learn the essential facts relating to every customer prior to trading the Shares; (3) how information regarding the IFV is disseminated; (4) the requirement that ETP Holders deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; (5) the possibility that trading spreads and the premium or discount on the Shares may widen as a result of reduced liquidity of EUAs during the Core and Late Trading Sessions; and (6) trading information. For example, the Information Bulletin will advise ETP Holders, prior to the commencement of trading, of the prospectus delivery requirements applicable to the Trust. The Exchange notes that investors purchasing Shares directly from the Trust will receive a prospectus. ETP Holders purchasing

Shares from the Trust for resale to investors will deliver a prospectus to such investors.

In addition, the Information Bulletin will reference that the Trust is subject to various fees and expenses as will be described in the Registration Statement. The Information Bulletin will also reference the fact that last sale information regarding EUAs is subject to regulation by EEX and ICE Endex, that the Commission and the CFTC do not have jurisdiction over the trading of EUAs as a commodity, and that jurisdiction over the trading of EUAs is held by the relevant competent authority of the individual EU member states in which the trading takes place, namely the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) in Germany and the Autoriteit Financiële Markten (AFM) in the Netherlands.<sup>55</sup> The Information Bulletin will also discuss any relief, if granted, by the Commission or the staff from any rules under the Act.

The Information Bulletin will also disclose the trading hours of the Shares and that the NAV for the Shares will be calculated after 4:00 p.m. E.T. each trading day. The Information Bulletin will disclose that information about the Shares will be publicly available on the Trust's website.

#### Statutory Basis

The basis under the Act for this proposed rule change is the requirement under Section 6(b)(5)<sup>56</sup> that an exchange have rules that are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to, and perfect the mechanism of a free and open market and, in general, to protect investors and the public interest.

The Exchange believes that the proposed rule change is designed to prevent fraudulent and manipulative acts and practices in that the Shares will be listed and traded on the Exchange pursuant to the initial and continued listing criteria in NYSE Arca Rule 8.201–E. Further, the Exchange has demonstrated that the proposed rule change satisfies Section 6(b)(5) of the Act by showing that EEX and ICE Endex are the primary markets for the asset held by the Trust and they share

surveillance with the Exchange and the ICE Endex is otherwise a regulated market of significant size that shares surveillance with the Exchange. The Exchange has in place surveillance procedures that are adequate to properly monitor trading in the Shares in all trading sessions and to deter and detect violations of Exchange rules and applicable federal securities laws. The Exchange may obtain information regarding trading in the Shares and Daily EUA Futures from ICE Endex with which the Exchange has entered into a CSSA, and from EEX, a member of the ISG. Also, pursuant to NYSE Arca Rule 8.201–E(g), the Exchange is able to obtain information regarding trading in the Shares and the underlying commodity through ETP Holders acting as registered Market Makers, in connection with such ETP Holders' proprietary trades which they effect on any relevant market. The Exchange represents that all EUAs held by the Trust will be held and maintained in the Union Registry and that the Trust will not invest in futures, options, options on futures, or swap contracts. The Exchange further represents that ICE Endex is the principal market for EUAs in which the Trust may invest, and that the Exchange can monitor those EUAs through its CSSA with ICE Endex.<sup>57</sup> The Exchange also represents that pursuant to its membership in ISG, EEX has undertaken a commitment to share information with the Exchange on an as-needed basis when such surveillance-sharing information is used for regulatory purposes including, but not limited to, with respect to spot EUA.

The proposed rule change is designed to promote just and equitable principles of trade and to protect investors and the public interest in that there is a considerable amount of information on EUAs and Daily EUA Futures available on public websites and through professional and subscription services. The trading prices for EUAs will be disseminated by on-line subscription services or by one or more major market data vendors during the NYSE Arca Core Trading Session. EEX also provides on its website, on a daily basis, transaction volumes and transaction prices for the EUA spot market. Additionally, ICE Endex provides on its website, on a daily basis, transaction volumes, transaction prices, daily settlement prices and historical settlement prices for Daily EUA Futures that were traded outside of block trades by EUA futures brokers. In addition, transaction volumes, transaction prices,

<sup>55</sup> Article 22 of Regulation (EU) No. 596/2014 on market abuse (market abuse regulation) ("MAR") requires each EU member state to designate a single administrative competent authority to ensure that the provisions of MAR are applied on its territory. Commission Regulation 596/2014, 2014 O.J. (L 173) 42. For a list of the competent authorities for each EU Member State. See <https://www.esma.europa.eu/sites/default/files/mar.pdf>.

<sup>56</sup> 15 U.S.C. 78f(b)(5).

<sup>57</sup> See the discussion in the "Section 6(b)(5) and the Applicable Standards" section, *supra*.

daily settlement prices and historical settlement prices for Daily EUA Futures traded in block trades by futures brokers are available on a daily basis through a subscription service to ICE Endex. ICE Endex also provides the daily settlement price change of the Daily EUA Future on its website.

In addition, the Trust's website ([www.cotwoadvisors.com](http://www.cotwoadvisors.com)) will provide pricing information for EUAs and the Shares. Market prices for the Shares will be available from a variety of sources including brokerage firms, information websites and other information service providers. Quotation and last-sale information regarding the Shares will be disseminated through the facilities of the Consolidated Tape Association. The NAV of the Trust will be published on each day that NYSE Arca is open for regular trading and will also be posted on the Trust's website. The IFV relating to the Shares will be widely disseminated by one or more major market data vendors at least once every 15 seconds as required by NYSE Arca Rule 8.201–E(e)(2)(v). The Trust's website will also provide its prospectus and other relevant quantitative information regarding the Shares. The Trust will also provide website disclosure of its EUA holdings before 9:30 a.m. E.T. on each trading day. In addition, information regarding market price and trading volume of the Shares will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services. Information regarding the previous day's closing price and trading volume information for the Shares will be published daily in the financial section of newspapers.

The proposed rule change is designed to perfect the mechanism of a free and open market and, in general, to protect investors and the public interest in that it will facilitate the listing and trading of an additional type of exchange-traded product that will enhance competition among market participants, to the benefit of investors and the marketplace. As noted above, the Exchange has in place surveillance procedures relating to trading in the Shares and may obtain information regarding trading in the Shares, EUAs and Daily EUA Futures from ICE Endex pursuant to the CSSA between the Exchange and ICE Endex and from EEX pursuant to its membership in ISG. In addition, as noted above, investors will have ready access to information regarding the Trust's NAV, IFV, and quotation and last sale information for the Shares.

### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes the proposed rule change will enhance competition by accommodating Exchange trading of an additional exchange-traded product, and the first such product relating to physical carbon credits, which will enhance competition among market participants, to the benefit of investors and the marketplace.

### *C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

No written comments were solicited or received with respect to the proposed rule change.

### III. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning Amendment No. 3, including whether the proposed rule change as modified by Amendment No. 3 is consistent with the Act. Comments may be submitted by any of the following methods:

#### *Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR–NYSEARCA–2024–70 on the subject line.

#### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.
- All submissions should refer to file number SR–NYSEARCA–2024–70. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the

public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR–NYSEARCA–2024–70 and should be submitted on or before April 17, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>58</sup>

**J. Matthew DeLesDernier,**  
Deputy Secretary.

[FR Doc. 2025–05202 Filed 3–26–25; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–102705; File No. SR–FICC–2025–005]

### Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Filing of Proposed Rule Change To Adopt an Intraday Mark-to-Market Charge at GSD

March 21, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) <sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> notice is hereby given that on March 14, 2025, Fixed Income Clearing Corporation (“FICC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the clearing agency. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of modifications to FICC's Government Securities Division (“GSD”) Rulebook

<sup>58</sup> 17 CFR 200.30–3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.

(“GSD Rules”)<sup>3</sup> to adopt an intraday mark-to-market charge (“Intraday Mark-to-Market Charge”).

## II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the clearing agency included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The clearing agency has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

### (A) Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

#### 1. Purpose

FICC is proposing to adopt an Intraday Mark-to-Market Charge at GSD.

Currently, the mark-to-market component of the daily Funds-Only Settlement Amount<sup>4</sup> covers FICC’s exposure to a Member due to market moves and/or trading and settlement activity because it brings the Member’s portfolio of outstanding positions up to the market value at the end of the prior day. Specifically, twice each Business Day, each Member is required to pay (or is entitled to collect) a Funds-Only Settlement Amount across all CUSIPs in which it has outstanding positions. However, because the start of day and intraday mark-to-market components of the Funds-Only Settlement Amount are calculated using the end of prior day and noon of current day positions and prices, respectively, they do not cover a Member’s risk exposure arising out of changes to position and price in the Member’s portfolio that occur between the collections of the Funds-Only Settlement Amount, *i.e.*, from the start of day to noon and from noon to end of day changes, that result in an adverse change to the Member’s mark-to-market exposure (“MTM Exposure”). In order to mitigate such intraday risk, FICC is proposing to adopt an Intraday Mark-to-Market Charge at GSD.<sup>5</sup>

<sup>3</sup> Terms not defined herein are defined in the GSD Rules, available at [www.dtcc.com/legal/rules-and-procedures](http://www.dtcc.com/legal/rules-and-procedures).

<sup>4</sup> The term “Funds-Only Settlement Amount” means the net dollar amount of a Netting Member’s obligation, calculated pursuant to GSD Rule 13, either to make a funds-only payment to FICC or to receive a funds-only payment from FICC. See GSD Rule 1 (Definitions), *supra* note 3.

<sup>5</sup> The Mortgage-Backed Securities Division (“MBS”) of FICC also has an intraday mark-to-market charge that is similar to the proposed

#### Background

FICC, through GSD, serves as a central counterparty and provider of clearance and settlement services for transactions in the U.S. government securities, as well as repurchase and reverse repurchase transactions involving U.S. government securities.<sup>6</sup> As part of its market risk management strategy, FICC manages its credit exposure to Members by determining the appropriate Required Fund Deposit to the Clearing Fund and monitoring its sufficiency, as provided for in the GSD Rules.<sup>7</sup> The Required Fund Deposit serves as each Member’s margin.

The objective of a Member’s Required Fund Deposit is to mitigate potential losses to FICC associated with liquidating a Member’s portfolio in the event FICC ceases to act for that Member (hereinafter referred to as a “default”).<sup>8</sup> The aggregate amount of all Members’ Required Fund Deposit constitutes the Clearing Fund. FICC would access the Clearing Fund should a defaulting Member’s own Required Fund Deposit be insufficient to satisfy losses to FICC caused by the liquidation of that Member’s portfolio.

Pursuant to the GSD Rules, each Member’s Required Fund Deposit amount consists of a number of applicable components, each of which is calculated to address specific risks faced by FICC, as identified within the GSD Rules.<sup>9</sup> These components include the VaR Charge, Blackout Period Exposure Adjustment, Backtesting Charge, Holiday Charge, Intraday Supplemental Fund Deposit, Margin Liquidity Adjustment Charge, special charge, and Portfolio Differential Charge.<sup>10</sup> The VaR Charge generally

Intraday Mark-to-Market Charge. See definition of “Intraday Mark-to-Market Charge” in Rule 1 of MBSD Clearing Rules, available at [www.dtcc.com/legal/rules-and-procedures](http://www.dtcc.com/legal/rules-and-procedures).

<sup>6</sup> GSD also clears and settles certain transactions on securities issued or guaranteed by U.S. government agencies and government sponsored enterprises.

<sup>7</sup> See GSD Rule 4 (Clearing Fund and Loss Allocation), *supra* note 3. FICC’s market risk management strategy is designed to comply with Rule 17ad–22(e)(4) under Act, where these risks are referred to as “credit risks.” 17 CFR 240.17ad–22(e)(4).

<sup>8</sup> The GSD Rules identify when FICC may cease to act for a Member and the types of actions FICC may take. For example, FICC may suspend a firm’s membership with FICC or prohibit or limit a Member’s access to FICC’s services in the event that Member defaults on a financial or other obligation to FICC. See GSD Rule 21 (Restrictions on Access to Services) of the GSD Rules, *supra* note 3.

<sup>9</sup> *Supra* note 3.

<sup>10</sup> These margin components and the relevant defined terms are currently located in GSD Rules 1 (Definitions) and 4 (Clearing Fund and Loss Allocation), *supra* note 3. FICC recently received regulatory approval to move the margin calculation

comprises the largest portion of a Member’s Required Fund Deposit amount.

#### Proposed Intraday Mark-to-Market Charge

Separate and apart from collecting the Required Fund Deposit, FICC also conducts mark-to-market to reflect the difference between the contract value of a trade and the current market value of the security. Specifically, twice each Business Day, each Member is required to pay (or is entitled to collect) a Funds-Only Settlement Amount across all CUSIPs in which it has outstanding positions. This amount includes, among other payments,<sup>11</sup> a mark-to-market amount for every net settlement position (*i.e.*, positions set to settle on the next Business Day), every forward net settlement position (*i.e.*, open positions), and every position that was scheduled to settle and has not yet settled (*i.e.*, failed positions). The funds-only settlement process is a cash pass-through process, *i.e.*, those Members that are in a debit position submit payments to FICC that are then used by FICC to pay Members in a credit position.

During each trading day, a Member’s exposure may change due to the settlement of existing transactions and new trade activities. In addition, the value of the Member’s portfolio may change due to market moves. Currently, the mark-to-market component of the Funds-Only Settlement Amount covers FICC’s exposure to a Member due to market moves and/or trading and settlement activity by bringing the Member’s portfolio of outstanding positions up to the market value at noon and end of day.

FICC currently conducts hourly<sup>12</sup> monitoring each Business Day,<sup>13</sup> with the Funds-Only Settlement Amounts being collected at 4:30 p.m. that

methodology, including the margin components and the relevant defined terms, into a new Margin Component Schedule. See Securities Exchange Act Release Nos. 101695 (Nov. 21, 2024), 89 FR 93763 (Nov. 27, 2024) (SR–FICC–2024–007) and 101675 (Nov. 21, 2024), 89 FR 93735 (Nov. 27, 2024) (SR–FICC–2024–802).

<sup>11</sup> The Funds-Only Settlement payments are set forth in Section 1 of GSD Rule 13 (Funds-Only Settlement), *supra* note 3. They generally consist of (A) transaction adjustment payments for settlement purposes, (B) risk management-related amounts (such as mark-to-market amounts), (C) security coupon and similar amounts, and (D) other amounts (such as invoice amounts).

<sup>12</sup> FICC expects to increase the frequency of its intraday monitoring at GSD from hourly to a 15-minute increment during first quarter of 2025.

<sup>13</sup> FICC generally conducts intraday monitoring between 9–11 a.m. (New York time) and 1–4 p.m. (New York time); however, on the last Business Day of each calendar month, the intraday monitoring is extended from 4 p.m. to 5 p.m. (New York time).

Business Day based on the Member's noon positions and 10 a.m. the next Business Day based on the Member's end-of-day positions on the previous Business Day.

However, because the start of day and intraday mark-to-market components of the Funds-Only Settlement Amount are calculated using the end of prior day and noon of current day positions and prices, respectively, they do not cover a Member's risk exposure arising out of changes to position and market value in the Member's portfolio that occur between the collections of the Funds-Only Settlement Amount that result in MTM Exposure. In order to mitigate such intraday risk, FICC is proposing to adopt an Intraday Mark-to-Market Charge.

Specifically, FICC is proposing to collect an Intraday Mark-to-Market Charge from Members to cover significant risk exposures that warrant the collection of intraday margin, *i.e.*, when the calculated Intraday Mark-to-Market Charge equals or exceeds certain thresholds, as further described below. The proposed Intraday Mark-to-Market Charge would work in conjunction with the Intraday Supplemental Fund Deposit<sup>14</sup> to help FICC mitigate its intraday risk exposure, including when certain risk thresholds are breached or when the products cleared or markets served display elevated volatility. Whereas the Intraday Supplemental Fund Deposit is designed to mitigate intraday risk exposure to FICC that results from large fluctuations in a Member's portfolio due to new and unsettled trade activities, the proposed Intraday Mark-to-Market Charge is designed to mitigate intraday risk exposure to FICC that results from large fluctuations in a Member's portfolio due to changes in position and market value. Both the Intraday Supplemental Fund Deposit and the proposed Intraday Mark-to-Market Charge would be recalculated intraday, each Business Day, at the times and frequencies established by FICC for this purpose, which times and frequencies shall be communicated to Members on FICC's public website.<sup>15</sup>

<sup>14</sup> See the description of Intraday Supplemental Fund Deposit, currently located in GSD Rule 4, Section 2a, *supra* note 3. FICC recently received regulatory approval to move the margin calculation methodology, including the description of Intraday Supplemental Fund Deposit, into a new Margin Component Schedule. See Securities Exchange Act Release Nos. 101695 (Nov. 21, 2024), 89 FR 93763 (Nov. 27, 2024) (SR-FICC-2024-007) and 101675 (Nov. 21, 2024), 89 FR 93735 (Nov. 27, 2024) (SR-FICC-2024-802).

<sup>15</sup> *Supra* note 12.

### The Parameter Breaks

As proposed, FICC would determine whether to assess the Intraday Mark-to-Market Charge by tracking three criteria (each, a "Parameter Break") for each Member. FICC would assess the Intraday Mark-to-Market Charge on a Member that has breached all three Parameter Breaks.

The Parameter Breaks help FICC determine whether a Member's MTM Exposure poses a risk to FICC that is significant enough to warrant an Intraday Mark-to-Market Charge. The objective of the Parameter Breaks is to ensure that FICC is able to limit exposure to intraday mark-to-market fluctuations that (a) are of a large dollar amount (the "Dollar Threshold"), (b) exhausts a significant portion of a Member's last calculated VaR Charge (the "Percentage Threshold"), and (c) are experienced by Members with either (i) a limited trading history (the "Trading Day Threshold") or (ii) backtesting deficiencies that bring backtesting results for the Member below a confidence target (the "Coverage Target"), indicating that a Member's activity was not sufficiently covered by margin.

#### 1. The Dollar Threshold

The first Parameter Break is the Dollar Threshold. The purpose of the Dollar Threshold is to identify those Members whose MTM Exposure equals or exceeds a set large dollar amount. FICC believes that such Members pose an increased risk of loss to FICC because if a Member with large MTM Exposure were to default and the Member's Required Fund Deposit was not sufficient to satisfy losses to FICC caused by the liquidation of the Member's portfolio, FICC may have to access the Clearing Fund to satisfy such losses.<sup>16</sup> However, because the Clearing Fund is a finite financial resource designed to be available to satisfy potential losses to FICC that may arise from any Member default, FICC could be exposed to a significant risk of loss if a Member's MTM Exposures equals or exceeds a set large dollar amount that could deplete a substantial portion of the Clearing Fund. Accordingly, FICC is proposing to set the Dollar Threshold to an amount that is equal to or greater than \$1,000,000 in order to ensure that the MTM Exposure of each of its Members would not be excessive. FICC believes that the minimum \$1,000,000 Dollar Threshold would ensure the Clearing Fund available to satisfy all other liquidation losses arising out of a

<sup>16</sup> See Rule 4 (Clearing Fund and Loss Allocation), *supra* note 3.

Member's default is sufficient to mitigate the risks posed to FICC by such losses.

As an initial matter, FICC would set the Dollar Threshold at \$1,000,000 in order to align with the minimum Clearing Fund requirement at GSD, thus helping to ensure that the aggregate MTM Exposure of a Member would not exceed its minimum Clearing Fund deposit. FICC would review and assess the sufficiency of the Dollar Threshold at least annually. If FICC determines that any adjustments to the Dollar Threshold are necessary to provide reasonable coverage, the FICC market risk group would document the rationale and obtain the requisite approval for the change, in accordance with FICC's internal market risk management policies and procedures. FICC would notify Members of any changes to the Dollar Threshold via an Important Notice.

As proposed, the Dollar Threshold is an adverse intraday mark-to-market change in a Member's portfolio that equals or exceeds \$1,000,000 when compared to the mark-to-market amount reflected either in the last Funds-Only Settlement Amount or Intraday Mark-to-Market Charge, as applicable, for the Member's portfolio.

#### 2. The Percentage Threshold

The second Parameter Break is the Percentage Threshold. The purpose of the Percentage Threshold is to identify those Members whose MTM Exposures deplete a significant portion of such Member's daily VaR Charge. FICC believes that Members that experience such MTM Exposures pose an increased risk of loss to FICC because the coverage provided by the VaR Charge, which is designed to cover estimated losses to a portfolio over a three-day time liquidation period at least 99 percent of the time would be depleted by a significant MTM Exposure that could cause the Member's Required Fund Deposit to be unable to absorb further intraday losses to the Member's portfolio. The Percentage Threshold is designed to provide FICC with a reasonable risk buffer to allow the VaR Charge collected to function as expected. More specifically, the VaR Charge is designed to cover potential losses over a three-day liquidation period for a Member at least 99 percent of the time, assuming normal market conditions. When a Member's MTM Exposure meets or exceeds a certain percentage as compared to its daily VaR Charge, the value of the Member's portfolio is trending towards a loss outside of the expected value as determined by such VaR Charge. The

Percentage Threshold is calculated to equal a percentage of the daily VaR Charge that FICC has determined would leave it with a sufficient amount of a Member's remaining VaR Charge after accounting for potential losses arising from the Member's MTM Exposure.

FICC would review and assess the sufficiency of the Percentage Threshold at least annually. If FICC determines that any adjustment to the Percentage Threshold are necessary to provide reasonable coverage, the FICC market risk group would document the rationale and obtain the requisite approval for the change, in accordance with FICC's internal market risk management policies and procedures. FICC would notify Members of any changes to the Percentage Threshold via an Important Notice.

As proposed, the Percentage Threshold is an adverse intraday mark-to-market change in a Member's portfolio that is not less than 10 percent of the last calculated VaR Charge for the Member's portfolio. As an initial matter, FICC would set the Percentage Threshold as 30 percent of the last calculated VaR Charge of a Member's portfolio. This is because FICC believes that a Member with MTM Exposure of 30 percent or more of the Member's VaR Charge on an intraday basis would likely pose increased risk to the sufficiency of the Member's Required Fund Deposit to cover additional exposures that may occur during the three-day liquidation period that the VaR Charge is designed to cover.

### 3. The Trading Day Threshold/Coverage Target

The third Parameter Break is either (i) the Trading Day Threshold, if a Member only has a limited trading history, or (ii) the Coverage Target.

The purpose of the Trading Day Threshold is to identify those Members that have limited trading history. As proposed, Members that have limited trading history, *i.e.*, fewer than 100 trading days in a rolling 12-month period, would be assessed the proposed Intraday Mark-to-Market Charge irrespective of their backtesting coverage if they were to breach the Dollar Threshold and the Percentage Threshold. This is because when a Member has fewer than 100 trading days in a rolling 12-month period, even one backtesting deficiency would have a disproportionate effect on the Member's backtesting coverage. For example, a single backtesting deficiency would result in a Member falling below 99 percent in backtesting coverage if the Member has fewer than 100 trading days in a rolling 12-month period, but if a

Member has more than 100 trading days in a rolling 12-month period, one backtesting deficiency would not result in such a Member falling below 99 percent in backtesting coverage. This means that if a Member with fewer than 100 trading days in a rolling 12-month period has breached both the Dollar Threshold and the Percentage Threshold, then the Member would be assessed the proposed Intraday Mark-to-Market Charge regardless of the Member's backtesting coverage.

In contrast, for Members with 100 or more trading days in a rolling 12-month period, FICC would take into consideration the Member's backtesting coverage when assessing the proposed Intraday Mark-to-Market Charge, *i.e.*, whether the Member's backtesting coverage equals or exceeds the Coverage Target, as described below.

The purpose of the Coverage Target is to identify those Members that have experienced backtesting deficiencies that bring their backtesting results as reported in the most current month below a certain threshold percentage as determined by FICC from time to time. FICC believes that such Members pose an increased risk of loss to FICC because their backtesting deficiencies demonstrated that FICC's risk-based margin model did not perform as expected for the Member. Thus, the Coverage Target is designed to provide coverage to FICC for risk exposures arising from intraday mark-to-market fluctuations in the portfolio of a Member for whom the FICC margin model is not performing as expected.

As an initial matter, FICC would set the Coverage Target at 100 percent in order to capture all Members that have demonstrated sufficiency in margin backtesting. FICC would review and assess the sufficiency of the Coverage Target at least annually. If FICC determines that any adjustment to the Coverage Target are necessary to provide reasonable coverage, the FICC market risk group would document the rationale and obtain the requisite approval for the change, in accordance with FICC's internal market risk management policies and procedures. FICC would notify Members of any changes to the Coverage Target via an Important Notice.

### Assessment and Collection of Proposed Intraday Mark-to-Market Charge

FICC would review intraday snapshots of each Member's portfolios to determine whether the Member has experienced a MTM Exposure that warrants FICC assessing an Intraday Mark-to-Market Charge. More specifically, if a Member's MTM

Exposure breaches all three Parameter Breaks, the Member would be subject to the Intraday Mark-to-Market Charge, and FICC would collect the charge, subject to waiver/reduction to the amount of the calculated charge as described below. However, where FICC determines that volatile market conditions<sup>17</sup> exist, FICC proposes that the Dollar Threshold and/or Percentage Threshold may be reduced. Having the ability to reduce the Dollar Threshold and/or Percentage Threshold would help ensure that FICC can accelerate collection of anticipated additional margin from Members whose portfolios may present relatively greater risks to FICC on an overnight basis. Any such reduction would not cause the Dollar Threshold to be less than \$250,000 and the Percentage Threshold to be less than 5 percent. FICC would provide Members with at a minimum one Business Day advance notice of any reductions to the Dollar Threshold or Percentage Threshold via an Important Notice.

Moreover, in volatile market conditions, FICC may modify or not consider the Coverage Target when applying the proposed Intraday Mark-to-Market Charge to a Member's portfolio that may present relatively greater risks to FICC on an overnight basis due to such market conditions. That is, FICC could impose the Intraday Mark-to-Market Charge on a Member's portfolio when only the Dollar Threshold and/or Percentage Threshold are breached if volatile market conditions were to occur. This is because FICC has determined that a Member's backtesting coverage may not accurately reflect the risks posed by the Member under volatile market conditions. Thus, if volatile market conditions occur, Members with backtesting coverage that meets or exceeds the Coverage Target then in effect may nonetheless be assessed the proposed Intraday Mark-to-Market Charge on portfolios that may pose increased risk to FICC on an overnight basis due to such market conditions.

Although FICC would generally collect the Intraday Mark-to-Market Charge if a Member's MTM Exposure breaches all three Parameter Breaks, FICC would retain the discretion to waive or decrease such Intraday Mark-to-Market Charge in circumstances where it determines that the MTM

<sup>17</sup> Volatile market conditions can include, but are not limited to, sudden swings in the U.S. Treasury yields or mortgage-backed security spreads outside of historically observed market moves and/or conditions contributing to increased MTM Exposures that, in aggregate, materially exceed those amounts observed under normal market conditions.

Exposure and/or the breaches of the three Parameter Breaks do not accurately reflect FICC's risk exposure to the Member's intraday mark-to-market fluctuation. An example of such circumstances is when a Member's breach of the Parameter Breaks is based on MTM Exposures arising out of trade errors for which FICC can confirm the reversal/correction thereto. Based on FICC's assessment of the impact of these circumstances and FICC's risk exposure from the Member's portfolio, FICC may waive or decrease an Intraday Mark-to-Market Charge for a Member.

If FICC determines that either a waiver or reduction of an Intraday Mark-to-Market Charge is appropriate, the FICC market risk group would document the rationale and obtain the requisite approval for the waiver/reduction, in accordance with FICC's internal market risk management policies and procedures. Given the variability of the factors that result in breaches of the Parameter Breaks, FICC believes that it is important to maintain such discretion in order to limit the imposition of the Intraday Mark-to-Market Charge to those Members with MTM Exposures that pose an elevated level of risk to FICC.

If FICC determines that FICC should collect an Intraday Mark-to-Market Charge from a Member, FICC would notify the Member during the trading day of its requirement to pay the Intraday Mark-to-Market Charge and the amount due. Affected Members would be required to pay the amount due by the Required Fund Deposit Deadline,<sup>18</sup> currently within one hour of such notification to Members.

#### Proposed GSD Rule Changes

In connection with adopting the Intraday Mark-to-Market Charge, FICC would modify the GSD Rules to:

I. Add a definition of "Intraday Mark-to-Market Charge" in GSD Rule 1 (Definitions) and define it in the new Margin Component Schedule.<sup>19</sup> As proposed, the term "Intraday Mark-to-Market Charge" would mean an additional charge that is collected from a Member or Segregated Indirect Participant<sup>20</sup> (unless waived or

decreased by FICC as provided below) to mitigate FICC's exposure that may arise due to intraday changes in the size, composition and constituent security prices of such Member's Margin Portfolio or Segregated Indirect Participant's portfolio, including when certain risk thresholds are breached or when the products cleared or markets served display elevated volatility. The proposed definition would provide that the Intraday Mark-to-Market Charge, with respect to each Margin Portfolio or Segregated Indirect Participant's portfolio, equals the difference between (a) the mark-to-market amount reflected either in the last Funds-Only Settlement Amount or Intraday Mark-to-Market Charge, as applicable, for the Margin Portfolio or Segregated Indirect Participant's portfolio and (b) such Margin Portfolio's or Segregated Indirect Participant's portfolio marked to the most recently observed System Price for such positions and shall be recalculated intraday, each Business Day, at the times and frequencies established by FICC for this purpose, which times and frequencies shall be communicated to Members and Segregated Indirect Participants on FICC's public website.

The proposed definition would have three subsections.

Subsection (a) would state that the Intraday Mark-to-Market Charge applies to a Margin Portfolio and/or Segregated Indirect Participant's portfolio that:

(i) experienced an adverse intraday mark-to-market change that equals or exceeds a certain threshold dollar amount (but not less than \$1,000,000) as determined by FICC from time to time as compared to the mark-to-market amount reflected either in the last Funds-Only Settlement Amount or Intraday Mark-to-Market Charge, as applicable, for the Margin Portfolio or Segregated Indirect Participant's portfolio,

(ii) experienced an adverse intraday mark-to-market change that equals or exceeds a certain threshold percentage (but not less than 10 percent) as determined by FICC from time to time as compared to the last calculated VaR Charge for the Margin Portfolio or Segregated Indirect Participant's portfolio, and

(iii) has either (x) fewer than 100 trading days in a rolling 12-month period or (y) 12-month backtesting coverage below a certain threshold percentage as determined by FICC from time to time.

GSD Rule 1 (Definitions) to refer to a Member's indirect participants whose transactions are recorded in a Segregated Indirect Participant Account. See Securities Exchange Act Release Nos. 101695 (Nov. 21, 2024), 89 FR 93763 (Nov. 27, 2024) (SR-FICC-2024-007) and 101675 (Nov. 21, 2024), 89 FR 93735 (Nov. 27, 2024) (SR-FICC-2024-802). Therefore, FICC is proposing to also include references to the Segregated Indirect Participants in the proposed "Intraday Mark-to-Market Charge" definition.

Each of (i), (ii), and (iii) above would be a "Parameter" for purposes of this proposed definition. Furthermore, the proposed definition would provide that FICC will notify Members of changes to any Parameter via an Important Notice.

Subsection (b) of the proposed definition would provide that, if volatile market conditions occur, FICC may:

(A) reduce the threshold dollar amount in Parameter (i) above (but not to less than \$250,000),

(B) reduce the threshold percentage in Parameter (ii) above (but not less than 5 percent), and/or

(C) elect to modify or not consider the 12-month backtesting coverage threshold in Parameter (iii)(y) above, when applying the Intraday Mark-to-Market Charge to Margin Portfolios and/or Segregated Indirect Participants' portfolios that may present relatively greater risks to FICC on an overnight basis due to such market conditions.

The proposed definition would provide examples of volatile market conditions that FICC may consider with respect to applying subsection (b) of the proposed definition to include, but shall not be limited to, the occurrence of sudden swings in U.S. Treasury yields or mortgage-backed security spreads outside of historically observed market moves and/or conditions contributing to intraday risk exposures to FICC that, in aggregate, materially exceed intraday risk exposures observed under normal market conditions. Furthermore, the proposed definition would state that FICC will provide Members with a minimum of one Business Day advance notice of changes to any Parameter due to volatile market conditions via an Important Notice.

Subsection (c) of the proposed definition would provide that FICC may waive the imposition of the Intraday Mark-to-Market Charge, or may decrease the amount of the Intraday Mark-to-Market Charge, in circumstances where FICC determines that the adverse intraday mark-to-market change of the Margin Portfolio or Segregated Indirect Participant's portfolio and/or the breaches of the Parameters referred to in subsection (a) do not accurately reflect FICC's risk exposure from the intraday mark-to-market fluctuation of the Margin Portfolio or Segregated Indirect Participant's portfolio. The proposed definition would provide that examples of circumstances that FICC may consider with respect to the determination in the previous sentence may include, but shall not be limited to, large mark-to-market fluctuations arising out of trade errors. In addition, the proposed definition would provide that all waiver and/or reduction of the

<sup>18</sup> The term "Required Fund Deposit Deadline" means the deadline set forth by FICC for such purpose in its procedures, unless FICC has issued a notice extending such deadline pursuant to the GSD Rules. See GSD Rule 1 (Definitions), *supra* note 3.

<sup>19</sup> *Supra* note 10.

<sup>20</sup> FICC recently received regulatory approval to make changes to the GSD Rules regarding the separate calculation, collection and holding of margin for indirect participant transactions of Members. Accordingly, a new defined term "Segregated Indirect Participant" will be added to

Intraday Mark-to-Market Charge shall be approved, documented and reviewed on a regular basis pursuant to FICC's procedures.

II. Add the "Intraday Mark-to-Market Charge" as an additional charge in calculating the Required Fund Deposit and the new Segregated Customer Margin Requirement<sup>21</sup> in the new Margin Component Schedule,<sup>22</sup> Sections 2(b) and 3(b).

#### Impact Study

FICC performed an impact study for the period beginning July 1, 2022 through June 30, 2024 ("Impact Study Period"). If the proposed Intraday Mark-to-Market Charge had been in place during the Impact Study Period compared to the existing GSD Rules, on average it would be assessed on a Member twice a day.<sup>23</sup> The aggregate average daily Intraday Mark-to-Market Charges would be approximately \$28.8 million and the number of backtesting deficiencies would have been reduced by 21 (from 350 to 329, or approximately 6 percent). Two Members would be assessed an Intraday Mark-to-Market Charge, on average, during the Impact Study Period.

The average daily Intraday Mark-to-Market Charge in dollars per impacted Member would be approximately \$17.5 million (approximately 31 percent of the average daily Clearing Fund deposit per impacted Member).

The three largest daily Intraday Mark-to-Market Charge in dollars for Members would be \$384.7 million (approximately 39 percent of the Member's daily Clearing Fund deposit and 3.3 percent of the Member's average Net Capital),<sup>24</sup> \$342.9 million (approximately 29 percent of the Member's daily Clearing Fund deposit and 2.7 percent of the Member's average Net Capital), and

\$260.4 million (approximately 38 percent of the Member's daily Clearing Fund deposit and 1.6 percent of the Member's average Net Capital).

The three largest daily Intraday Mark-to-Market Charge for Members as percentages of the relevant Member's daily Clearing Fund deposit would be 352 percent, or \$4.5 million (1.8 percent of the Member's average Net Capital), 203 percent, or \$27.7 million (0.6 percent of the Member's average Net Capital), and 178 percent, or \$3.7 million (3.4 percent of the Member's average Net Capital).

FICC also analyzed the impact data by bifurcating the Impact Study Period into two one-year periods. If the proposed Intraday Mark-to-Market Charge had been in place for the period beginning July 1, 2022 through June 30, 2023 compared to the existing GSD Rules, on average it would be assessed on a Member twice a day. The aggregate average daily Intraday Mark-to-Market Charges would be approximately \$40.4 million. If the proposed Intraday Mark-to-Market Charge had been in place for the period beginning July 1, 2023 through June 30, 2024 compared to the existing GSD Rules, on average it would be assessed on a Member once a day. This is primarily because the market volatility was higher during the July 1, 2022 through June 30, 2023 period and the market was less volatile during the July 1, 2023 through June 30, 2024 period. The aggregate average daily Intraday Mark-to-Market Charges would be approximately \$17.4 million.

#### Implementation Timeframe

FICC would implement the proposed rule changes by no later than 60 Business Days after the approval of the proposed rule change by the Commission. FICC would announce the effective date of the proposed changes by an Important Notice posted to its website.

#### 2. Statutory Basis

FICC believes the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a registered clearing agency. In particular, FICC believes the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act,<sup>25</sup> and Rules 17ad-22(e)(4)(i), (e)(6)(i) and (e)(6)(ii), each promulgated under the Act,<sup>26</sup> for the reasons described below.

Section 17A(b)(3)(F) of the Act requires that the GSD Rules be designed

to, among other things, assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible and be designed to promote the prompt and accurate clearance and settlement of securities transactions.<sup>27</sup> FICC believes the proposed change to adopt the Intraday Mark-to-Market Charge is designed to assure the safeguarding of securities and funds which are in its custody or control or for which it is responsible because it is designed to mitigate intraday risks to FICC arising out of changes to position and market value in a Member's portfolio that occur intraday and result in MTM Exposure. Specifically, the proposed Intraday Mark-to-Market Charge would allow FICC to collect financial resources to cover significant risk exposures that warrant the collection of intraday margin.

The Clearing Fund is a key tool that FICC uses to mitigate potential losses to FICC associated with liquidating a Member's portfolio in the event of Member default. Therefore, the proposed change to include an Intraday Mark-to-Market Charge among the GSD Clearing Fund components would enable FICC to better address significant adverse intraday mark-to-market changes in a Member's portfolio such that, in the event of Member default, FICC's operations would not be disrupted, and non-defaulting Members would not be exposed to losses they cannot anticipate or control. In this way, the proposed change to adopt the Intraday Mark-to-Market Charge is designed to assure the safeguarding of securities and funds which are in the custody or control of FICC or for which it is responsible, consistent with Section 17A(b)(3)(F) of the Act.<sup>28</sup>

The proposed rule change with respect to the adoption of the Intraday Mark-to-Market Charge has also been designed to be consistent with Rules 17ad-22(e)(4)(i), (e)(6)(i) and (e)(6)(ii) under the Act.<sup>29</sup> Rule 17ad-22(e)(4)(i) under the Act<sup>30</sup> requires a covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to effectively identify, measure, monitor, and manage its credit exposures to participants and those exposures arising from its payment, clearing, and settlement processes by maintaining sufficient financial resources to cover its credit exposure to each participant fully

<sup>21</sup> FICC recently received regulatory approval to make changes to the GSD Rules regarding the separate calculation, collection and holding of margin for indirect participant transactions of Members. The margin requirement for a Member's segregated indirect participant transactions would be referred to as the Segregated Customer Margin Requirement. See Securities Exchange Act Release Nos. 101695 (Nov. 21, 2024), 89 FR 93763 (Nov. 27, 2024) (SR-FICC-2024-007) and 101675 (Nov. 21, 2024), 89 FR 93735 (Nov. 27, 2024) (SR-FICC-2024-802). Therefore, FICC is proposing to also include the Intraday Mark-to-Market Charge as an additional charge in calculating the Segregated Customer Margin Requirement.

<sup>22</sup> *Supra* note 10.

<sup>23</sup> The impact study excluded three (3) instances of large mark-to-market fluctuations arising out of trade errors that occurred during the Impact Study Period.

<sup>24</sup> The term "Net Capital" means, as of a particular date, the amount equal to the net capital of a broker or dealer as defined in SEC Rule 15c3-1(c)(2), or any successor rule or regulation thereto. See GSD Rule 1 (Definitions), *supra* note 3.

<sup>25</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>26</sup> 17 CFR 240.17ad-22(e)(4)(i), (e)(6)(i) and (e)(6)(ii).

<sup>27</sup> 15 U.S.C. 78q-1(b)(3)(F).

<sup>28</sup> *Id.*

<sup>29</sup> 17 CFR 240.17ad-22(e)(4)(i), (e)(6)(i) and (e)(6)(ii).

<sup>30</sup> 17 CFR 240.17ad-22(e)(4)(i).

with a high degree of confidence. As described above, FICC believes that the proposed changes would enable it to better identify, measure, monitor, and, through the collection of Members' Required Fund Deposits, manage its credit exposures to Members by maintaining sufficient resources to cover those credit exposures fully with a high degree of confidence. More specifically, the proposed Intraday Mark-to-Market Charge addresses the identification, measurement, monitoring, and management of credit exposures that may arise from intraday changes that occur to a participant's adverse mark-to-market exposure. Moreover, by incorporating the Intraday Mark-to-Market Charge into the GSD Rules, the proposed change would enable FICC to have rule provisions that are reasonably designed to effectively identify, measure, monitor, and manage its credit exposures to Members. As a result, FICC believes that the proposal to adopt the Intraday Mark-to-Market Charge would enhance FICC's ability to effectively identify, measure, and monitor its credit exposures and would enhance its ability to maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence, consistent with the requirements of Rule 17ad-22(e)(4)(i) under the Act.<sup>31</sup>

Rule 17ad-22(e)(6)(i) under the Act<sup>32</sup> requires FICC to establish, implement, maintain, and enforce written policies and procedures reasonably designed to cover its credit exposures to its participants by establishing a risk-based margin system that, at a minimum, considers, and produces margin levels commensurate with, the risks and particular attributes of each relevant product, portfolio, and market.<sup>33</sup> The proposed Intraday Mark-to-Market Charge is a risk-based margining system with parameters that are regularly reviewed by FICC. Therefore, FICC believes the proposed rule change is consistent with Rule 17ad-22(e)(6)(i) under the Act.<sup>34</sup>

Furthermore, the Required Fund Deposits are made up of risk-based components (as margin) that are calculated and assessed daily to limit FICC's credit exposures to Members. FICC is proposing changes that are designed to more effectively measure and address intraday risk exposures due to Members' MTM Exposure arising between the collections of the Funds-Only Settlement Amount. Adopting the

Intraday Mark-to-Market Charge would help to ensure that margin levels are commensurate with the risk exposure of each portfolio throughout the day and that the margin that FICC collects from Members is sufficient to mitigate the credit exposure presented by the Members. Overall, the proposed changes to adopt the Intraday Mark-to-Market Charge would allow FICC to more effectively address the risks presented by Members. In this way, the proposed changes would enhance the ability of FICC to produce margin levels commensurate with the risks and particular attributes of each relevant product, portfolio, and market. As such, FICC believes that the proposed changes are consistent with the requirements of Rule 17ad-22(e)(6)(i) under the Act.<sup>35</sup>

Rule 17ad-22(e)(6)(ii) under the Act<sup>36</sup> requires FICC to establish, implement, maintain, and enforce written policies and procedures reasonably designed to cover its credit exposures to its participants by establishing a risk-based margin system that, at a minimum, (A) marks participant positions to market and collect margin at least daily, (B) monitors intraday exposure on an ongoing basis, (C) includes the authority and operational capacity to make intraday margin calls as frequently as circumstances warrant, including (1) when risk thresholds specified by FICC are breached, and (2) when the products cleared or markets served display elevated volatility, and (D) documents when FICC determines not to make an intraday call pursuant to its written policies and procedures.<sup>37</sup>

FICC believes that the proposed changes to adopt the Intraday Mark-to-Market Charge as described herein are consistent with the requirements of Rule 17ad-22(e)(6)(ii) cited above. The proposed Intraday Mark-to-Market Charge would be calculated and assessed at least daily based on FICC's ongoing monitoring of its intraday exposures to Members. As proposed, FICC would be able to make intraday margin calls as frequently as circumstances warrant, including when risk thresholds specified by FICC are breached and when the products cleared or markets served by FICC display elevated volatility. The proposed changes would also provide that FICC would document instances when it determines not to make an intraday call pursuant to its policies and procedures. Overall, the proposed changes to adopt the Intraday Mark-to-Market Charge would allow FICC to more effectively

address its intraday credit exposure to its Members, consistent with the requirements of Rule 17ad-22(e)(6)(ii) under the Act.<sup>38</sup>

*(B) Clearing Agency's Statement on Burden on Competition*

FICC believes the proposed rule changes to adopt the Intraday Mark-to-Market Charge could impose a burden on competition. As a result of the proposed rule changes, participants may experience increases in their Required Fund Deposits and/or Segregated Customer Margin Requirements. An impact study during the Impact Study Period indicates that the average daily Intraday Mark-to-Market Charge in dollars per Member would be approximately \$17.5 million. Such increases could burden participants that have lower operating margins or higher costs of capital than other participants. It is not clear whether the burden on competition would necessarily be significant because it would depend on whether the affected participants were similarly situated in terms of business type and size. Regardless of whether the burden on competition is significant, FICC believes that any burden on competition would be necessary and appropriate in furtherance of the purposes of the Act.

Specifically, FICC believes that the proposed rule changes would be necessary in furtherance of the Act, as described in this filing and further below. FICC believes that the above-described burden on competition that may be created by the proposed changes is necessary. This is because the GSD Rules must be designed to assure the safeguarding of securities and funds that are in FICC's custody or control or for which it is responsible, consistent with Section 17A(b)(3)(F). As described above, FICC believes that the adoption of the Intraday Mark-to-Market Charge would enable FICC to better address significant adverse intraday mark-to-market changes in a Member's portfolio such that, in the event of Member default, FICC's operations would not be disrupted and non-defaulting Members would not be exposed to losses they cannot anticipate or control. As such, the proposed changes to adopt the Intraday Mark-to-Market Charge are designed to assure the safeguarding of securities and funds which are in the custody or control of FICC or for which it is responsible, consistent with Section 17A(b)(3)(F) of the Act.<sup>39</sup>

FICC also believes these proposed changes to adopt the Intraday Mark-to-

<sup>31</sup> *Id.*

<sup>32</sup> 17 CFR 240.17ad-22(e)(6)(i).

<sup>33</sup> *Id.*

<sup>34</sup> *Id.*

<sup>35</sup> *Id.*

<sup>36</sup> 17 CFR 240.17ad-22(e)(6)(ii).

<sup>37</sup> *Id.*

<sup>38</sup> *Id.*

<sup>39</sup> 15 U.S.C. 78q-1(b)(3)(F).

Market Charge are necessary to support FICC's compliance with Rules 17ad-22(e)(4)(i), (e)(6)(i) and (e)(6)(ii) under the Act,<sup>40</sup> which require FICC to establish, implement, maintain and enforce written policies and procedures reasonably designed to (x) effectively identify, measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes, including by maintaining sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence, (y) cover its credit exposures to its participants by establishing a risk-based margin system that, at a minimum, considers, and produces margin levels commensurate with, the risks and particular attributes of each relevant product, portfolio, and market, and (z) cover its credit exposures to its participants by establishing a risk-based margin system that, at a minimum, (A) marks participant positions to market and collect margin at least daily, (B) monitors intraday exposure on an ongoing basis, (C) includes the authority and operational capacity to make intraday margin calls as frequently as circumstances warrant, including (1) when risk thresholds specified by FICC are breached, and (2) when the products cleared or markets served display elevated volatility, and (D) documents when FICC determines not to make an intraday call pursuant to its written policies and procedures.

As described above, FICC believes that adopting the Intraday Mark-to-Market Charge would allow FICC to more effectively mitigate risk exposure arising out of intraday changes to position and market value in a participant's portfolio that result in MTM Exposure. Specifically, FICC believes the proposed change to adopt the Intraday Mark-to-Market Charge would appropriately cover FICC's credit exposure to participants with a high degree of confidence in such a situation. Therefore, FICC believes that these proposed changes to adopt the Intraday Mark-to-Market Charge would allow FICC to effectively identify, measure, monitor, and manage its credit exposures to participants and better limit FICC's credit exposures to participants by maintaining sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence, cover its credit exposures to its participants by producing margin levels commensurate with the risks and particular attributes

of each relevant product and portfolio as well as collecting intraday margin, consistent with the requirements of Rules 17ad-22(e)(4)(i), (e)(6)(i) and (e)(6)(ii) under the Act.<sup>41</sup>

FICC also believes that the above-described burden on competition that could be created by the proposed changes would be appropriate in furtherance of the Act because such changes have been appropriately designed to assure the safeguarding of securities and funds which are in the custody or control of FICC or for which it is responsible, as described in detail above. The proposed changes to adopt an Intraday Mark-to-Market Charge is specifically designed to cover significant risk exposures that warrant the collection of intraday margin, *i.e.*, when the calculated Intraday Mark-to-Market Charge breached three Parameter Breaks, namely (1) Dollar Threshold, (2) Percentage Threshold, and (3) Trading Day Threshold/Coverage Target. Any increase in Required Fund Deposit and/or Segregated Customer Margin Requirement as a result of such proposed change for a particular participant would be in direct relation to the specific risks presented by such participant's portfolio, and each participant's Required Fund Deposit and/or Segregated Customer Margin Requirement would continue to be calculated with the same parameters and at the same confidence level. Therefore, participants with portfolios that present similar risks, regardless of the type of participant, would have similar impacts on their Required Fund Deposit and/or Segregated Customer Margin Requirement amounts. In addition, the proposed changes to adopt the Intraday Mark-to-Market Charge would improve the risk-based margining methodology that FICC employs to set margin requirements and better limit FICC's credit exposures to its participants. Impact studies indicate that the proposed Intraday Mark-to-Market Charge would result in backtesting coverage that more appropriately addresses the risks presented by each participant's portfolio(s). Therefore, because the proposed changes are designed to provide FICC with a more appropriate and complete measure of the risks presented by participants' portfolios, FICC believes the proposals are appropriately designed to meet its risk management goals and its regulatory obligations.

Accordingly, FICC does not believe that the proposed changes to adopt the Intraday Mark-to-Market Charge would

impose any burden on competition that is not necessary or appropriate in furtherance of the Act.<sup>42</sup>

*(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

FICC has not received or solicited any written comments relating to this proposal. If any additional written comments are received, they will be publicly filed as an Exhibit 2 to this filing, as required by Form 19b-4 and the General Instructions thereto.

Persons submitting comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b-4, the Commission does not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission's instructions on how to submit comments, *available at* [www.sec.gov/regulatory-actions/how-to-submit-comments](http://www.sec.gov/regulatory-actions/how-to-submit-comments). General questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the SEC's Division of Trading and Markets at [tradingandmarkets@sec.gov](mailto:tradingandmarkets@sec.gov) or 202-551-5777.

FICC reserves the right not to respond to any comments received.

**III. Date of Effectiveness of the Proposed Rule Change, and Timing for Commission Action**

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve or disapprove such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

<sup>40</sup> 17 CFR 240.17ad-22(e)(4)(i), (e)(6)(i) and (e)(6)(ii).

<sup>41</sup> *Id.*

<sup>42</sup> 15 U.S.C. 78q-1(b)(3)(I).

*Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules-regulations/self-regulatory-organization-rulemaking>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-FICC-2025-005 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

All submissions should refer to File Number SR-FICC-2025-005. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules-regulations/self-regulatory-organization-rulemaking>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of FICC and on DTCC's website ([www.dtcc.com/legal/sec-rule-filings](http://www.dtcc.com/legal/sec-rule-filings)). Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to File Number SR-FICC-2025-005 and should be submitted on or before April 17, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>43</sup>

**J. Matthew DeLesDernier,**  
Deputy Secretary.

[FR Doc. 2025-05200 Filed 3-26-25; 8:45 am]

**BILLING CODE 8011-01-P**

**SMALL BUSINESS ADMINISTRATION**

[License No. 09/09-0478]

**Surrender of License of Small Business Investment Company; Silver Lake Waterman Fund II, L.P.**

Pursuant to the authority granted to the United States Small Business Administration under Section 309 of the Small Business Investment Act of 1958, as amended, and 13 CFR 107.1900 of the Code of Federal Regulations to function as a small business investment company under the Small Business Investment Company license number 09/09-0478 issued to Silver Lake Waterman Fund II, L.P. said license is hereby declared null and void.

**Thomas Morris,**

Director, Patient Capital Investments, Office of Investment and Innovation, United States Small Business Administration.

[FR Doc. 2025-05266 Filed 3-26-25; 8:45 am]

**BILLING CODE 8026-09-P**

**SMALL BUSINESS ADMINISTRATION**

[Disaster Declaration #20999 and #21000; Oklahoma Disaster Number OK-20027]

**Presidential Declaration of a Major Disaster for Public Assistance Only for the State of Oklahoma**

**AGENCY:** U.S. Small Business Administration.

**ACTION:** Notice.

**SUMMARY:** This is a Notice of the Presidential declaration of a major disaster for Public Assistance Only for the State of Oklahoma (FEMA-4862-DR), dated March 18, 2025.

*Incident:* Severe Storms, Straight-line Winds, Tornadoes, and Flooding.

**DATES:** Issued on March 18, 2025.

*Incident Period:* November 2, 2024 through November 5, 2024.

*Physical Loan Application Deadline Date:* May 19, 2025.

*Economic Injury (EIDL) Loan Application Deadline Date:* December 18, 2025.

**ADDRESSES:** Visit the MySBA Loan Portal at <https://lending.sba.gov> to apply for a disaster assistance loan.

**FOR FURTHER INFORMATION CONTACT:** Alan Escobar, Office of Disaster Recovery & Resilience, U.S. Small Business Administration, 409 3rd Street SW, Suite 6050, Washington, DC 20416, (202) 205-6734.

**SUPPLEMENTARY INFORMATION:** Notice is hereby given that as a result of the President's major disaster declaration on 03/18/2025, Private Non-Profit organizations that provide essential

services of a governmental nature may file disaster loan applications online using the MySBA Loan Portal <https://lending.sba.gov> or other locally announced locations. Please contact the SBA disaster assistance customer service center by email at [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov) or by phone at 1-800-659-2955 for further assistance.

The following areas have been determined to be adversely affected by the disaster:

*Primary Counties:* Adair, Garvin, Jefferson, Lincoln, Okfuskee, Oklahoma, Stephens, Washita  
The Interest Rates are:

|                                                                   | Percent |
|-------------------------------------------------------------------|---------|
| <i>For Physical Damage:</i>                                       |         |
| Non-Profit Organizations with Credit Available Elsewhere ...      | 3.625   |
| Non-Profit Organizations without Credit Available Elsewhere ..... | 3.625   |
| <i>For Economic Injury:</i>                                       |         |
| Non-Profit Organizations without Credit Available Elsewhere ..... | 3.625   |

The number assigned to this disaster for physical damage is 20999B and for economic injury is 210000.

(Catalog of Federal Domestic Assistance Number 59008)

**James Stallings,**

Associate Administrator, Office of Disaster Recovery & Resilience.

[FR Doc. 2025-05238 Filed 3-26-25; 8:45 am]

**BILLING CODE 8026-09-P**

**SMALL BUSINESS ADMINISTRATION**

[License No. 06/06-0352]

**Notice Seeking Exemption Under Section 312 of the Small Business Investment Act, Conflicts of Interest; LCM Healthcare Fund I, L.P.**

Notice is hereby given that LCM Healthcare Fund I, L.P., 1717 Main Street, Suite 3370, Dallas, TX 75201, a Federal Licensee under the Small Business Investment Act of 1958, as amended ("the Act"), in connection with the financing of a small concern, is seeking an exemption under Section 312 of the Act and Section 107.730, Financings which Constitute Conflicts of Interest of the Small Business Administration ("SBA") Rules and Regulations (13 CFR 107.730). LCM Healthcare Fund I, L.P. is seeking a written exemption from SBA for a proposed financing to Northwest Surgical Development Company, Inc.,

<sup>43</sup> 17 CFR 200.30-3(a)(12).

65 Enterprise, Suite 125, Aliso Viejo, CA 92656.

This financing is brought within the purview of § 107.730(a)(1) of the Regulations because LCM Healthcare Fund I, L.P. will provide equity financing to an Associate not on the same terms and conditions nor at the same time in Northwest Surgical Development Company, Inc. Therefore, this transaction is considered as *Other Financings with Associates* which requires SBA's prior written exemption. LCM Healthcare Fund I, L.P. has not made its proposed new investment in Northwest Surgical Development Company, Inc. and is seeking SBA prefinancing approval.

Notice is hereby given that any interested person may submit written comments on this transaction within fifteen days of the date of this publication to the Associate Administrator, Office of Investment and Innovation, U.S. Small Business Administration, 409 Third Street SW, Washington, DC 20416.

**Thomas Morris,**

*Director, Patient Capital Investments, Office of Investment and Innovation, U.S. Small Business Administration.*

[FR Doc. 2025-05265 Filed 3-26-25; 8:45 am]

**BILLING CODE 8026-09-P**

## **SMALL BUSINESS ADMINISTRATION**

### **Surrender of License of Small Business Investment Company; Stonehenge Opportunity Fund III-B, L.P., License No. 05/05-0296**

Pursuant to the authority granted to the United States Small Business Administration under Section 309 of the Small Business Investment Act of 1958, as amended, and 13 CFR 107.1900 of the Code of Federal Regulations to function as a small business investment company under the Small Business Investment Company license number 05/05-0297 issued to Stonehenge Opportunity Fund III-B, L.P., said license is hereby declared null and void.

**Thomas Morris,**

*Director, Patient Capital Investments, Office of Investment and Innovation, United States Small Business Administration.*

[FR Doc. 2025-05263 Filed 3-26-25; 8:45 am]

**BILLING CODE P**

## **TENNESSEE VALLEY AUTHORITY**

### **Sugar Camp Energy, LLC Mine No. 1 Significant Boundary Revision 8 Environmental Impact Statement**

**AGENCY:** Tennessee Valley Authority.

**ACTION:** Record of decision.

**SUMMARY:** The Tennessee Valley Authority (TVA) has decided to adopt the preferred alternative identified in the Sugar Camp Energy, LLC Mine No. 1 Significant Boundary Revision (SBR) Number (No.) 8 Final Environmental Impact Statement (EIS; Document ID EISX-455-00-000-1729685514). A Notice of Availability of the Final EIS was published in the **Federal Register** on January 17, 2025. The purpose and need of the proposed action is to comply with the terms and conditions of the previously executed leases and agreements regarding the TVA-owned mineral rights in Illinois which total approximately 64,689 acres (hereafter, TVA Mineral Rights Area). TVA's preferred alternative, analyzed in the EIS as Alternative B, consists of implementing the terms of the existing coal lease agreement, approving the plan to expand its underground longwall mining operations by approximately 22,414 acres (hereafter, SBR No. 8 Mine Area), and pursuing divestment of the TVA Mineral Rights Area from TVA's control and custody. This Record of Decision (ROD) describes TVA's decision to implement the terms of the existing coal lease agreement and approve the plan to mine TVA-owned coal in the SBR No. 8 Mine Area. TVA will consider divestiture of the property in a separate ROD, likely later in 2025, through subsequent consideration and action by the TVA Board of Directors.

#### **FOR FURTHER INFORMATION CONTACT:**

Elizabeth Smith, Tennessee Valley Authority, 400 West Summit Hill Drive, WT11B, Knoxville, Tennessee 37902; telephone (865) 632-3053, or by email [esmith14@tva.gov](mailto:esmith14@tva.gov). The Final EIS, this ROD and other project documents are available on TVA's website at <https://www.tva.com/environment/environmental-stewardship/environmental-reviews>.

**SUPPLEMENTARY INFORMATION:** This notice is provided in accordance with TVA's procedures for implementing the National Environmental Policy Act (NEPA), as amended (42 U.S. Code [U.S.C.] 4321 *et seq.*), found at 18 Code of Federal Regulations (CFR) part 1318. TVA is a corporate agency and instrumentality of the United States, and among several mission responsibilities, generates and distributes electricity to 153 local power companies serving approximately 10 million people, as well as directly served commercial, industrial, and government customers in the TVA service territory—an 80,000-square-mile region comprised of Tennessee and

parts of Virginia, North Carolina, Georgia, Alabama, Mississippi, and Kentucky. TVA receives no direct Congressional appropriations, deriving virtually all its revenue from the sale of electricity. In addition to operating and investing revenues in its power system, TVA provides flood control, navigation, and land management for the Tennessee River watershed, and provides vital economic development, job creation and retention/support assistance within the TVA Power Service Area.

In 2002 and 2009, TVA leased Illinois Basin coal reserves to Sugar Camp, with the condition that any proposed mining plan be subject to environmental review and TVA approval. Any proposed mining plan is also subject to review and approval by the State of Illinois through an associated permit program, through delegated regulatory authority by the U.S. Department of the Interior, Office of Surface Mining Reclamation and Enforcement under the Surface Mining Control and Reclamation Act of 1977. In 2008, Sugar Camp obtained Underground Coal Mine (UCM) Permit No. 382 from the Illinois Department of Natural Resources (IDNR), Office of Mines and Minerals (OMM), Land Reclamation Division, referenced hereafter as IDNR-OMM, for Sugar Camp Mine No. 1. UCM Permit No. 382 originally authorized underground longwall mining operations under approximately 12,125 acres in Franklin and Hamilton counties. UCM Permit No. 382 also included a surface effects area to process, store and transport the coal, where the existing coal preparation plant is located. Since then, Illinois has granted Sugar Camp permit revisions to expand underground longwall mining operations for Sugar Camp Mine No. 1, and TVA has prepared multiple environmental assessments and an EIS on the extraction of TVA-owned coal in these additional areas supporting TVA's prior decisions to approve the expanded mining operations under the leases; to date, TVA has approved the mining of 18,010 acres of TVA-owned coal at Sugar Camp Mine No. 1. In June 2023, Sugar Camp requested TVA approval of its SBR No. 8 mine plan to further expand its mining operations. In December 2024, Sugar Camp received SBR No. 8 of UCM Permit No. 382, from IDNR-OMM, which was conditionally issued on the basis of Sugar Camp submitting proof that the current suite of alleged and charged violations by the state of Illinois are in the process of being corrected.

On January 20, 2025, President Trump issued a number of executive orders that (1) directed the Council on Environmental Quality to “provide

guidance on implementing the National Environmental Policy Act (NEPA), 42 U.S.C. 4321 *et seq.*, and propose rescinding CEQ's NEPA regulations found at 40 CFR 1500 *et seq.*" and (2) revoked all executive orders on environmental justice. These revoked E.O.s no longer inform TVA's environmental analysis in NEPA documents. On February 25, 2025, CEQ published an interim final rule removing their NEPA regulations from the Code of Federal Regulations. The interim final rule will take effect on April 11, 2025. This NEPA ROD document was in process prior to the rescission and relies on the CEQ regulations in effect at the time of its preparation.

### Alternatives Considered

TVA considered four alternatives in the Draft EIS and Final EIS. These alternatives are a No Action Alternative and three Action Alternatives: Alternative A, Alternative B, and Alternative C.

**No Action Alternative**—Under this alternative, TVA would not approve the SBR No. 8 mine plan and Sugar Camp would not undertake the proposed 22,414-acre mine expansion. In addition, TVA would not divest the TVA Mineral Rights Area. TVA assumes that Sugar Camp would continue the previously approved mining, processing, storing, and transporting of approximately 25,847 acres of TVA-owned coal and privately owned coal.

**Alternative A**—Alternative A consists of TVA implementing the terms of the existing coal lease agreement and approving the plan to extract TVA-owned coal within a 21,868-acre portion of the overall SBR No. 8 Mine Area and not divesting the TVA Mineral Rights Area. Extraction of coal under SBR No. 8 would occur via longwall mining techniques with room-and-pillar techniques used where appropriate to facilitate the longwall operation. Longwall mining operations and associated planned subsidence would occur during a 23-year period between 2025 and 2050. Alternative A would also involve the associated construction and operation of six bleeder shaft facilities in different locations within the SBR No. 8 Mine Area, together occupying approximately 39 acres. Additional IDNR–OMM permits would be required for these actions. Planned subsidence (controlled sinking of the ground surface) of approximately 16,129 acres within the SBR No. 8 Mine Area would result. Connected actions include processing of the extracted TVA-owned coal at an existing coal preparation plant, treatment of the byproducts at

three existing facilities, surface storage of coal, and offsite transport of processed coal via an existing rail loop. These facilities also process, store, and transport privately owned coal not subject to TVA approval.

**Alternative B**—Alternative B consists of TVA implementing the terms of the existing coal lease agreement and approving the plan to extract TVA-owned coal as submitted by Sugar Camp in the SBR No. 8 of UCM Permit No. 382, as well as divesting the TVA Mineral Rights Area of 64,689 acres. Divestment of the TVA Mineral Rights would result in the transfer of the existing coal lease agreements to the receiving entity as running with the transferred property interests; therefore, pursuing execution of the terms and conditions of the lease would be incumbent upon the purchasing entity. The purchasing entity may or may not choose to continue authorization for the mining of the divested coal reserves. If the purchasing entity elects to mine the divested coal reserves, TVA assumes that the mining techniques and end uses of divested coal, as well as its type and chemical composition, would be the same as described for Alternative A. TVA assumes that environmental liabilities associated with the mining of divested coal reserves would be transferred to the purchasing entity with no likely reduction in the associated impacts. TVA also assumes, for purposes of this analysis, that the mining of the divested coal would be concurrent with the mining under SBR No. 8 of UCM Permit No. 382. Additional IDNR–OMM mining permits would be required for future mining of the divested coal reserves outside of the SBR No. 8 Mine Area. If the purchasing entity elects not to mine divested coal reserves, TVA assumes impacts from mining the TVA Mineral Rights Area outside of the SBR No. 8 Mine Area (approximately 36,632 acres) would be as described for the No Action Alternative.

**Alternative C**—Alternative C consists of TVA not approving the plan to extract TVA-owned coal as submitted by Sugar Camp in the SBR No. 8 of UCM Permit No. 382 and divesting the TVA Mineral Rights Area of 64,689 acres. Under this alternative, the purchasing entity may or may not choose to mine the divested coal reserves. TVA assumes that the mining techniques and end uses of divested coal, as well as its type and chemical composition, would be the same as described for Alternative A. TVA assumes that environmental liabilities associated with the mining of divested coal reserves would be transferred to the purchasing entity with

no likely reduction in the associated impacts. TVA also assumes, for purposes of this analysis, that the mining of the divested coal would occur between 2025 and 2050. Additional IDNR–OMM mining permits would be required for future mining of the divested coal reserves. If the purchasing entity elects not to mine divested coal reserves, TVA assumes impacts would be as described for the No Action Alternative.

### Preferred Alternative

In fulfilling its responsibilities under NEPA, TVA has prepared this EIS to inform TVA's decision on whether to approve Sugar Camp's application to mine TVA-owned coal reserves within the SBR No. 8 Mine Area and whether to divest TVA of all mineral reserves in Illinois. TVA historically acquired the mineral rights area between 1964 and 1984 to ensure an adequate and reliable coal supply for TVA's fleet of coal-fired power plants. TVA has subsequently retired several of its coal plants. In accordance with the 2019 Integrated Resource Plan (IRP) and supported by the 2025 IRP currently under development, TVA plans to retire its remaining coal-fired generating facilities by 2035 and will then no longer have a need for the mined coal or to own coal reserves. The proposed divestment also aligns with direction in the TVA Act regarding real property interests excess to TVA's mission and TVA's aspirational goal of net-zero carbon emissions by 2050. The purpose and need of adhering to the executed lease agreements is to comply with the terms and conditions of the previously executed leases and agreements regarding the TVA Mineral Rights Area. Surface activities to support underground mining of TVA-owned coal would include continued operation of the existing coal preparation plant, treatment of the byproducts, storage, and transport of the coal. Sugar Camp would utilize its existing Sugar Camp Mine No. 1 facilities to process and ship the extracted coal, and expansion of these facilities is not needed to support the proposed mine expansion. Sugar Camp would also construct approximately six bleeder ventilation shafts and install associated utilities needed to operate the bleeder shafts within the SBR No. 8 Mine Area. TVA will consider divestiture of the property in a separate decision.

TVA's preferred alternative is Alternative B, which consists of TVA authorizing expansion under the lease to extract TVA-owned coal as submitted by Sugar Camp in the SBR No. 8 of UCM Permit No. 382 and divesting the TVA

Mineral Rights Area of 64,689 acres. Alternative B is preferred for several reasons. Section 31 of the TVA Act provides that real property interests shall not be held “except when necessary in the opinion of the [TVA] Board to carry out plans and projects actually decided upon requiring the use” of the real property interest. As with other mineral interests, TVA acquired the Illinois mineral rights to assure a coal supply for TVA’s coal-fired power plants. TVA’s 2021 Aging Coal Fleet evaluation recommended the retirement of all of TVA’s coal plants on or before 2035. Further, TVA no longer purchases coal mined from the TVA Mineral Rights Area for use in its coal plants. Divestment of the TVA Mineral Rights Area would align with TVA’s goals of being low-cost, risk-informed, environmentally responsible, reliable, diverse, and flexible, as identified in the 2019 IRP and supported by the 2025 IRP and as well as with TVA’s mission of providing affordable, reliable and increasingly clean power to its roughly 10 million customers.

In contrast, Alternative A would not align with TVA’s statutory mission requirement regarding maintenance of these assets, as the historical need for maintaining custody and control of these mineral interests included supporting a steady supply of coal for TVA’s coal plants; TVA plans to retire aging coal units as they reach the end of their useful life (expected by 2035). The TVA Act directs TVA to divest real property interests not necessary to support TVA’s mission, and TVA’s plans to retire aging coal units mean that TVA no longer needs the coal supply or coal reserves. Alternative C would not approve the SBR No. 8 mining plan such that it would not meet the need to adhere to the executed lease agreements and comply with the terms and conditions of the previously executed leases and agreements regarding the TVA Mineral Rights Area.

Coal mining activities would occur under any of the four alternatives. Under the No Action Alternative, mining would most likely occur in the portions of the TVA Mineral Reserve Area that TVA has already approved under the lease for mining. Under Alternatives A and B, and potentially Alternative C, a larger area would be mined, and similar levels of impacts could occur under any of the three action alternatives. Minor temporary impacts to soils, prime farmland, groundwater, floodplains, water quality and supply, air quality and greenhouse gases, wildlife, aquatic life, natural areas, public health, and socioeconomics would occur. Minor

temporary and permanent impacts to vegetation, land use, and geology would occur. Moderate temporary impacts to surface waters and wetlands, transportation, noise and visual resources, utilities, and cultural resources would occur. Moderate temporary and permanent impacts to transportation and waste management would occur. Moderate short- to long-term positive impacts to socioeconomics would occur. The adverse impacts would be minimized or mitigated per IDNR permit requirements. Under Alternative B and per IDNR permit conditions, the pertinent federal and state agencies would ensure impacts associated with the bleeder shaft facilities to cultural resources and to federally and state-listed species are avoided, minimized, or mitigated, once siting locations for the bleeder shaft facilities are determined. Generally, these consultations are also required for mining under the other alternatives, per IDNR permit conditions.

#### Decision

TVA has decided to implement the preferred alternative of the EIS and approve the plan to extract TVA-owned coal reserves within a 21,868-acre portion of the overall SBR No. 8 Mine Area. This alternative would achieve the purpose and need of the project. The proposed action would adhere to the executed lease agreements to comply with the terms and conditions of the previously executed leases and agreements regarding the TVA Mineral Rights Area. Similar levels of impacts could occur under any of the three action alternatives as described above. TVA’s Board of Directors will consider TVA’s divestment of the TVA Mineral Rights Area of 64,689 acres at a later date. Divestment of the TVA Mineral Rights would result in the transfer of the existing coal lease agreements to the receiving entity as running with the transferred property interests; therefore, pursuing execution of the terms and conditions of the lease would be incumbent upon the purchasing entity. The purchasing entity may or may not choose to continue authorization for the mining of the divested coal reserves. TVA will issue a subsequent ROD to document the decision of the TVA Board of Directors.

#### Public Involvement

On September 1, 2023, TVA published a Notice of Intent (NOI) in the **Federal Register** announcing that it planned to prepare an EIS to address the potential environmental effects associated with the proposed mine expansion and divesting TVA-owned

mineral rights. The NOI initiated a 30-day public scoping period, which concluded on October 2, 2023. The NOI solicited public input on other reasonable alternatives that should be considered in the EIS. During the public scoping period, TVA received comments from the U.S. Environmental Protection Agency (USEPA), Sierra Club, Prairie Rivers Network, and private individuals. Most of the comments from individuals seemed to come through a letter campaign promoted by the Illinois chapter of the Sierra Club. Comments about the EIS process was related to the purpose and need, project description, alternatives, subsidence, natural resources, threatened and endangered species, air quality, water quality, greenhouse gas emissions and climate change, socioeconomics, and safety.

In their comments, USEPA requested to participate in the NEPA process as a cooperating agency. TVA granted this request. TVA made the Draft EIS available for a 45-day public review and comment period ending on October 15, 2024. TVA sent the Draft EIS notice via email to agencies and organizations. TVA published notices regarding the Draft EIS in newspapers that serve the area, including the Franklin County Gazette, The Southern Illinoisan, Marion Republican, and Harrisburg Register. TVA received comments from USEPA, Illinois Environmental Protection Agency, the Sierra Club, Prairie Legal Network, Environmental Law and Policy Center, Amphibian Refuge, Ruger Coal Company, and many private citizens. Comments were received regarding the purpose and need for the proposed action, public involvement, permits and agency coordination, descriptions of alternatives, alternatives analysis, environmental impacts generally and focused on water resources, air quality and greenhouse gases, biological resources, environmental justice, the cumulative impacts analysis, and the ROD. The Final EIS contains these comments and TVA’s responses to the comments. Several sections of the EIS were also revised in response to the comments.

The Notice of Availability for the Final EIS was published in the **Federal Register** on January 17, 2025. TVA received comments from the Environmental Protection Agency (EPA) Region IV on the FEIS. In their letter, EPA acknowledged that TVA responded to their draft EIS comments in the FEIS. EPA also noted that while they have no substantive comments on the FEIS, they ask that any future action taken by Sugar Camp be in compliance with

Clean Water Act Section 404(b)(1) Guidelines.

### Mitigation Measures

IDNR would require Sugar Camp to implement best management practices and mitigation to minimize potential adverse environmental effects throughout the SBR No. 8 Mine Area as conditions of its mine permit. Throughout the TVA Mineral Rights Area, any future mine operator would be subject to these same requirements.

Permit conditions would be enforced by the State of Illinois; TVA does not regulate the mining activities of Sugar Camp, nor would it regulate any mining activities that begin after divestment of the TVA Mineral Rights Area. TVA assumes that environmental liabilities associated with the mining of divested coal reserves would be transferred to the purchasing entity. State of Illinois mitigation measures include:

1. The implementation of sediment and erosion control practices (e.g., silt fences, straw, mulch, or vegetative cover) and fugitive dust minimization (e.g., wetting roads prior to heavy use).
2. The implementation of water quality protection measures (e.g., sediment pond treatment, water quality monitoring, or establishment of riparian zone buffer zones).
3. The repair or compensation of any damage to buildings or other structures caused by subsidence.
4. The minimization of invasive species transmission per the requirements of the Illinois Noxious Weed Law.
5. Compensation for any interruption to well water quality or quantity caused by subsidence until the groundwater is restored.
6. The repair of any damage to roads caused by subsidence.
7. The repair of any drainage alteration caused by subsidence.
8. The compensatory mitigation of wetlands and streams impacted by subsidence, if necessary. This condition would also be enforced by the U.S. Army Corps of Engineers.
9. The repair of any damage to utilities caused by subsidence.

*Authority:* 40 CFR 1505.2.

Dated: March 18, 2025.

**Bryan Williams,**

*Senior Vice President, Major Projects.*

[FR Doc. 2025-05270 Filed 3-26-25; 8:45 am]

**BILLING CODE 8120-01-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

[Docket No. FAA-2025-0558]

### Notice of Intent To Decommission Flight Service Remote Communications Outlets (RCOs)

**AGENCY:** Federal Aviation Administration (FAA).

**ACTION:** Request for public comment.

**SUMMARY:** The FAA requests public comment on the agency's intent to decommission the Flight Service network of communication frequencies for advisory services throughout the contiguous United States (CONUS), excluding those in Alaska.

**DATES:** Written comments should be submitted by May 27, 2025.

**ADDRESSES:** Please send written comments:

*By Electronic Docket:* [www.regulations.gov](http://www.regulations.gov) (Enter docket number into search field).

*By mail:* 800 Independence Ave. SW, Washington, DC 20591, ATTN: Manager, Flight Service, Safety & Operations, AJR-B1.

#### FOR FURTHER INFORMATION CONTACT:

Christopher Henne, Manager, Safety & Operations, (202) 267-6500 or by email at: [9-AJR-FSSOG@faa.gov](mailto:9-AJR-FSSOG@faa.gov), Subject: CONUS RCOs.

#### SUPPLEMENTARY INFORMATION:

*Background:* Flight Service provides inflight advisory services over a radio network of 936 frequencies throughout the CONUS, including Hawaii and Puerto Rico. This infrastructure was developed over 40 years ago, with little or no modifications since.

Flight Service has experienced reduction in the volume of requests for advisory services, and a resulting consolidation in Flight Service stations. In the mid-1980s, Flight Service received 22,000 service requests per day across this network, while today they receive fewer than 300 per day. In turn, from over 350 Flight Service stations with over 3,000 employees 40 years ago, there are now only two (2) facilities with fewer than 200 specialists. This 99% reduction in the volume of requests is not representative of a reduction in flights. Rather, it is a result of a move to new technology with no safety impacts. Technology (e.g., mobile technology) has made it possible for users today to receive the information and services that Flight Service provides without the need for radio communications.

The remaining infrastructure and staffing for this outdated method costs

taxpayers millions of dollars annually to support the small number of pilots that have not converted to mobile technology. In January 2016, a MITRE study found that a vast majority of the frequencies were duplicate, overlapping and seldom used. In April 2016, the FAA published a Notice of Proposed Policy for FAA's proposed plan to decommission a number of RCOs and frequencies.<sup>1</sup> The FAA received 13 comments, made minor revisions to the decommission list, and published the final policy on August 30, 2017.<sup>2</sup> In 2017, the FAA decommissioned 641 frequencies, including 404 RCOs and 237 VOR outlets for a cost savings estimated at \$2.5 million annually in maintenance costs, with additional savings realized once leases and voice switch infrastructure were decreased.

It is the FAA's intent to decommission all remaining 936 RCOs in CONUS after a final rule is published. The remaining list of 936 frequencies is available on the FAA website<sup>3</sup> and can be divided into two groups:

(1) RCOs that aircraft can use to contact a flight service station by transmitting and receiving on a common or discrete frequency, for example, 122.2, 122.5, etc. There are 764 RCOs in the CONUS.

(2) Frequencies that are co-located with navigational aids, known as VORs, in which aircraft can contact flight service by transmitting on a frequency (usually 122.1) and receiving on the appropriate VOR frequency. There are 172 VOR frequencies in the CONUS.

After decommissioning these RCOs, Flight Service will no longer provide inflight advisory services in CONUS. All emergency frequencies will continue to be monitored through Air Traffic Control Facilities.

*Safety Analysis:* A Safety Risk Management Panel will be convened to analyze potential risk to the National Airspace System as a result of this change.

*Public Comments Invited:* The FAA is interested in comments concerning the move to decommission the remaining 936 Remote Communications Outlets in CONUS. Users are welcome to include comments concerning any other aspect of your experience with Flight Service.

The FAA will file in the docket all comments it receives, as well as a report summarizing each substantive public contact with FAA personnel concerning this action. Before acting on this notice,

<sup>1</sup> 81 FR 25484 (April 28, 2016).

<sup>2</sup> 82 FR 41304 (August 30, 2017).

<sup>3</sup> [https://www.faa.gov/about/office\\_org/headquarters\\_offices/ato/service\\_units/systemops/fs](https://www.faa.gov/about/office_org/headquarters_offices/ato/service_units/systemops/fs).

the FAA will consider all comments it receives on or before the closing date for comments. The FAA will consider comments filed after the comment period has closed if it is possible to do so without incurring expense or delay. The agency may change this notice in light of the comments it receives.

Issued in Washington, DC.

**Kevin J. Hanson,**

*Director of Flight Service, AJR-B, Air Traffic Organization.*

[FR Doc. 2025-05167 Filed 3-26-25; 8:45 am]

BILLING CODE 4910-13-P

## DEPARTMENT OF TRANSPORTATION

### Federal Motor Carrier Safety Administration

[Docket No. FMCSA-2010-0203; FMCSA-2013-0444; FMCSA-2016-0007; FMCSA-2018-0056; FMCSA-2020-0051; FMCSA-2022-0045; FMCSA-2022-0046; FMCSA-2022-0047]

### Qualification of Drivers; Exemption Applications; Epilepsy and Seizure Disorders

**AGENCY:** Federal Motor Carrier Safety Administration (FMCSA), Department of Transportation (DOT).

**ACTION:** Notice of renewal of exemptions; request for comments.

**SUMMARY:** FMCSA announces its decision to renew exemptions for 15 individuals from the requirement in the Federal Motor Carrier Safety Regulations (FMCSRs) that interstate commercial motor vehicle (CMV) drivers have “no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause loss of consciousness or any loss of ability to control a CMV.” The exemptions enable these individuals who have had one or more seizures and are taking anti-seizure medication to continue to operate CMVs in interstate commerce.

**DATES:** Each group of renewed exemptions were applicable on the dates stated in the discussions below and will expire on the dates stated in the discussions below. Comments must be received on or before April 28, 2025.

**ADDRESSES:** You may submit comments identified by the Federal Docket Management System Docket No. FMCSA-2010-0203, Docket No. FMCSA-2013-0444, Docket No. FMCSA-2016-0007, Docket No. FMCSA-2018-0056, Docket No. FMCSA-2020-0051, Docket No. FMCSA-2022-0045, Docket No. FMCSA-2022-0046, or Docket No.

FMCSA-2022-0047 using any of the following methods:

- **Federal eRulemaking Portal:** Go to [www.regulations.gov/](http://www.regulations.gov/), insert the docket number (FMCSA-2010-0203, FMCSA-2013-0444, FMCSA-2016-0007, FMCSA-2018-0056, FMCSA-2020-0051, FMCSA-2022-0045, FMCSA-2022-0046, or FMCSA-2022-0047) in the keyword box and click “Search.” Next, sort the results by “Posted (Newer-Older),” choose the first notice listed, and click on the “Comment” button. Follow the online instructions for submitting comments.

- **Mail:** Dockets Operations; U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Washington, DC 20590-0001.

- **Hand Delivery:** West Building Ground Floor, 1200 New Jersey Avenue SE, Washington, DC 20590-0001 between 9 a.m. and 5 p.m. ET Monday through Friday, except Federal holidays.

- **Fax:** (202) 493-2251.

To avoid duplication, please use only one of these four methods. See the “Public Participation” portion of the **SUPPLEMENTARY INFORMATION** section for instructions on submitting comments.

**FOR FURTHER INFORMATION CONTACT:** Ms. Christine A. Hydock, Chief, Medical Programs Division, FMCSA, DOT, 1200 New Jersey Avenue SE, Washington, DC 20590-0001; (202) 366-4001;

[fmcamedical@dot.gov](mailto:fmcamedical@dot.gov). Office hours are from 8:30 a.m. to 5 p.m. ET Monday through Friday, except Federal holidays. If you have questions regarding viewing or submitting material to the docket, contact Dockets Operations, (202) 366-9826.

### SUPPLEMENTARY INFORMATION:

#### I. Public Participation

##### A. Submitting Comments

If you submit a comment, please include the docket number for this notice (Docket No. FMCSA-2010-0203, Docket No. FMCSA-2013-0444, Docket No. FMCSA-2016-0007, Docket No. FMCSA-2018-0056, Docket No. FMCSA-2020-0051, Docket No. FMCSA-2022-0045, Docket No. FMCSA-2022-0046, or Docket No. FMCSA-2022-0047), indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation. You may submit your comments and material online or by fax, mail, or hand delivery, but please use only one of these means. FMCSA recommends that you include your name and a mailing address, an email address, or a phone number in the body of your document so that FMCSA can

contact you if there are questions regarding your submission.

To submit your comment online, go to [www.regulations.gov/](http://www.regulations.gov/), insert the docket number (FMCSA-2010-0203, FMCSA-2013-0444, FMCSA-2016-0007, FMCSA-2018-0056, FMCSA-2020-0051, FMCSA-2022-0045, FMCSA-2022-0046, or FMCSA-2022-0047) in the keyword box and click “Search.” Next, sort the results by “Posted (Newer-Older),” choose the first notice listed, click the “Comment” button, and type your comment into the text box on the following screen. Choose whether you are submitting your comment as an individual or on behalf of a third party and then submit.

If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. FMCSA will consider all comments and material received during the comment period.

#### B. Confidential Business Information (CBI)

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to the notice contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to the notice, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission that constitutes CBI as “PROPIN” to indicate it contains proprietary information. FMCSA will treat such marked submissions as confidential under the Freedom of Information Act, and they will not be placed in the public docket of the notice. Submissions containing CBI should be sent to Brian Dahlin, Chief, Regulatory Evaluation Division, Office of Policy, FMCSA, 1200 New Jersey Avenue SE, Washington, DC 20590-0001 or via email at [brian.g.dahlin@dot.gov](mailto:brian.g.dahlin@dot.gov). At this time, you need not send a duplicate hardcopy of your electronic CBI submissions to FMCSA headquarters. Any comments FMCSA receives not specifically designated as CBI will be placed in the public docket for this notice.

#### C. Viewing Comments

To view comments, go to [www.regulations.gov](http://www.regulations.gov/). Insert the docket number (FMCSA-2010-0203, FMCSA-2013-0444, FMCSA-2016-0007, FMCSA-2018-0056, FMCSA-2020-

0051, FMCSA–2022–0045, FMCSA–2022–0046, or FMCSA–2022–0047) in the keyword box and click “Search.” Next, sort the results by “Posted (Newer-Older),” choose the first notice listed, and click “Browse Comments.” If you do not have access to the internet, you may view the docket online by visiting Dockets Operations on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, between 9 a.m. and 5 p.m. ET Monday through Friday, except Federal holidays. To be sure someone is there to help you, please call (202) 366–9317 or (202) 366–9826 before visiting Dockets Operations.

#### D. Privacy Act

In accordance with 49 U.S.C. 31315(b)(6), DOT solicits comments from the public on the exemption request. DOT posts these comments, without edit, including any personal information the commenter provides, to [www.regulations.gov](http://www.regulations.gov). As described in the system of records notice DOT/ALL 14 (Federal Docket Management System), which can be reviewed at <https://www.transportation.gov/individuals/privacy/privacy-act-system-records-notices>, the comments are searchable by the name of the submitter.

## II. Legal Basis

FMCSA has authority under 49 U.S.C. 31136(e) and 31315(b) to grant exemptions from Federal Motor Carrier Safety Regulations (FMCSRs). FMCSA must publish a notice of each exemption request in the **Federal Register** (49 CFR 381.315(a)). The Agency must provide the public an opportunity to inspect the information relevant to the application, including the applicant's safety analysis. The Agency must provide an opportunity for public comment on the request.

The Agency reviews safety analyses and public comments submitted and determines whether granting the exemption would likely achieve a level of safety equivalent to, or greater than, the level that would be achieved by the current regulation (49 CFR 381.305(a)). The Agency must publish its decision in the **Federal Register** (49 CFR 381.315(b)). If granted, the notice will identify the regulatory provision from which the applicant will be exempt the effective period, and all terms and conditions of the exemption (49 CFR 381.315(c)(1)). If the exemption is denied, the notice will explain the reason for the denial (49 CFR 381.315(c)(2)). The exemption may be renewed (49 CFR 381.300(b)).

## III. Background

The physical qualification standard for drivers regarding seizures and loss of consciousness provides that a person is physically qualified to drive a CMV if that person has “no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause the loss of consciousness or any loss of ability to control” a CMV (49 CFR 391.41(b)(8)). To assist in applying this standard, FMCSA publishes guidance for medical examiners (ME) in the form of medical advisory criteria in Appendix A to 49 CFR part 391.<sup>1</sup> In 2007, FMCSA published recommendations from a Medical Expert Panel (MEP) that FMCSA tasked to review the existing seizure disorder guidelines for MEs.<sup>2</sup> The MEP performed a comprehensive, systematic literature review, including evidence available at the time. The MEP issued recommended criteria to evaluate whether an individual with a history of epilepsy, a single unprovoked seizure, or a provoked seizure should be allowed to drive a CMV.

On January 15, 2013, FMCSA began granting exemptions, on a case-by-case basis, to individual drivers from the physical qualification standard regarding seizures and loss of consciousness in 49 CFR 391.41(b)(8) (78 FR 3069). The Agency considers the medical advisory criteria, the 2007 MEP recommendations, and each individual's medical information and driving record in deciding whether to grant the exemption.

The 15 individuals listed in this notice have requested renewal of their exemptions from the epilepsy and seizure disorders prohibition in § 391.41(b)(8), in accordance with FMCSA procedures. Accordingly, FMCSA has evaluated these applications for renewal on their merits and decided to extend each exemption for a renewable 2-year period.

## IV. Request for Comments

Interested parties or organizations possessing information that would otherwise show that any, or all, of these drivers are not currently achieving the statutory level of safety should immediately notify FMCSA. The Agency will evaluate any adverse

evidence submitted and, if safety is being compromised or if continuation of the exemption would not be consistent with the goals and objectives of 49 U.S.C. 31136(e) and 31315(b), FMCSA will take immediate steps to revoke the exemption of a driver.

## V. Basis for Renewing Exemptions

In accordance with 49 U.S.C. 31136(e) and 31315(b), each of the 15 applicants has satisfied the renewal conditions for obtaining an exemption from the epilepsy and seizure disorders prohibition. The 15 drivers in this notice remain in good standing with the Agency, have maintained their medical monitoring and have not exhibited any medical issues that would compromise their ability to safely operate a CMV during the previous 2-year exemption period. In addition, the Agency has reviewed each applicant's certified driving record from their State Driver's Licensing Agency (SDLA). The information obtained from each applicant's driving record provides the Agency with details regarding any moving violations or reported crash data, which demonstrates whether the driver has a safe driving history and is an indicator of future driving performance. If the driving record revealed a crash, FMCSA requested and reviewed the related police reports and other relevant documents, such as the citation and conviction information. These factors provide an adequate basis for predicting each driver's ability to continue to safely operate a CMV in interstate commerce. Therefore, FMCSA concludes that extending the exemption for each renewal applicant for a period of 2 years is likely to achieve a level of safety equivalent to that existing without the exemption.

In accordance with 49 U.S.C. 31136(e) and 31315(b), the following groups of drivers received renewed exemptions in the month of February and are discussed below.

As of February 3, 2025, and in accordance with 49 U.S.C. 31136(e) and 31315(b), the following eight individuals have satisfied the renewal conditions for obtaining an exemption from the epilepsy and seizure disorders prohibition in the FMCSRs for interstate CMV drivers:

Ralph Bollman (PA)  
Keith Hubbard (WV)  
Chad Knott (MD)  
Jordan Moriarty (VT)  
Brian Porter (PA)  
Peter Della Rocco (PA)  
Jason Russell (IA)  
Donald Smith (NY)

The drivers were included in docket number FMCSA–2010–0203, FMCSA–

<sup>1</sup> 49 CFR part 391, app.A.II.G, available at <https://www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-391/appendix-Appendix%20A%20to%20Part%20391>.

<sup>2</sup> “Expert Panel Recommendations, Seizure Disorders and Commercial Motor Vehicle Driver Safety,” Medical Expert Panel (Oct. 15, 2007), available at <https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/2020-04/Seizure-Disorders-MEP-Recommendations-v2-prot%2010152007.pdf>.

2013–0444, FMCSA–2016–0007, FMCSA–2018–0056, FMCSA–2020–0051, FMCSA–2022–0045, or FMCSA–2022–0046. Their exemptions were applicable as of February 3, 2025, and will expire on February 3, 2027.

As of February 28, 2025, and in accordance with 49 U.S.C. 31136(e) and 31315(b), the following seven individuals have satisfied the renewal conditions for obtaining an exemption from the epilepsy and seizure disorders prohibition in the FMCSRs for interstate CMV drivers:

Andrew Briggs (WI)  
Trent Clark (PA)  
James Niemoller (MD)  
Joe Porath (ID)  
Jon Rollins (OH)  
Garrett Sager (IA)  
Shawn Vanliew (MN)

The drivers were included in docket number FMCSA–2022–0047. Their exemptions were applicable as of February 28, 2025, and will expire on February 28, 2027.

## VI. Terms and Conditions

The exemptions are extended subject to the following conditions: each driver must (1) remain seizure-free, maintain a stable treatment, and report to FMCSA within 24 hours if they experience a seizure during the 2-year exemption period; (2) submit to FMCSA annual reports from their treating physicians attesting to the stability of treatment and that the driver has remained seizure-free; (3) undergo an annual medical examination by a certified medical examiner, as defined by § 390.5T; (4) provide a copy of the annual medical certification to the employer for retention in the driver's qualification file, or keep a copy of their driver's qualification file if they are self-employed; (5) report to FMCSA the date, time, and location of any crashes, as defined in § 390.5T, within 7 days of the crash; (6) report to FMCSA any citations and convictions for disqualifying offenses under 49 CFR parts 383 and 391 to FMCSA within 7 days of the citation and conviction; and (7) submit to FMCSA annual certified driving records from their SDLA. The driver must also have a copy of the exemption when driving, for presentation to a duly authorized Federal, State, or local enforcement official. In addition, the driver must meet all the applicable commercial driver's license testing requirements. Each exemption will be valid for 2 years unless rescinded earlier by FMCSA. The exemption will be rescinded if: (1) the person fails to comply with the terms and conditions of the exemption; (2) the exemption has

resulted in a lower level of safety than was maintained before it was granted; or (3) continuation of the exemption would not be consistent with the goals and objectives of 49 U.S.C. 31136(e) and 31315(b).

## VII. Preemption

During the period the exemption is in effect, no State shall enforce any law or regulation that conflicts with this exemption with respect to a person operating under the exemption.

## VIII. Conclusion

Based on its evaluation of the 15 exemption applications, FMCSA renews the exemptions of the aforementioned drivers from the epilepsy and seizure disorders prohibition in § 391.41(b)(8). In accordance with 49 U.S.C. 31136(e) and 31315(b), each exemption will be valid for 2 years unless revoked earlier by FMCSA.

Larry W. Minor,

Associate Administrator for Policy.

[FR Doc. 2025–05249 Filed 3–26–25; 8:45 am]

BILLING CODE 4910–EX–P

## DEPARTMENT OF TRANSPORTATION

### Federal Motor Carrier Safety Administration

[Docket No. FMCSA–2024–0029]

### Qualification of Drivers; Exemption Applications; Epilepsy and Seizure Disorders

**AGENCY:** Federal Motor Carrier Safety Administration (FMCSA), Department of Transportation (DOT).

**ACTION:** Notice of final disposition.

**SUMMARY:** FMCSA announces its decision to exempt 12 individuals from the requirement in the Federal Motor Carrier Safety Regulations (FMCSRs) that interstate commercial motor vehicle (CMV) drivers have “no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause loss of consciousness, or any loss of ability to control a CMV.” The exemptions enable these individuals who have had one or more seizures and are taking anti-seizure medication to operate CMVs in interstate commerce.

**DATES:** The exemptions were applicable on February 1, 2025. The exemptions expire on February 1, 2027.

**FOR FURTHER INFORMATION CONTACT:** Ms. Christine A. Hydock, Chief, Medical Programs Division, FMCSA, DOT, 1200 New Jersey Avenue SE, Washington, DC 20590–0001; (202) 366–4001;

[fmcsamedical@dot.gov](mailto:fmcsamedical@dot.gov). Office hours are from 8:30 a.m. to 5 p.m. ET Monday through Friday, except Federal holidays. If you have questions regarding viewing or submitting material to the docket, contact Dockets Operations, (202) 366–9826.

## SUPPLEMENTARY INFORMATION:

### I. Public Participation

#### A. Viewing Comments

To view comments, go to [www.regulations.gov](http://www.regulations.gov). Insert the docket number, (FMCSA–2024–0029) in the keyword box and click “Search.” Next, sort the results by “Posted (Older–Newer),” choose the first notice listed, and click “Browse Comments.” If you do not have access to the internet, you may view the docket online by visiting Dockets Operations on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, between 9 a.m. and 5 p.m. ET Monday through Friday, except Federal holidays. To be sure someone is there to help you, please call (202) 366–9317 or (202) 366–9826 before visiting Dockets Operations.

#### B. Privacy Act

In accordance with 49 U.S.C. 31315(b)(6), DOT solicits comments from the public on the exemption requests. DOT posts these comments, without edit, including any personal information the commenter provides, to [www.regulations.gov](http://www.regulations.gov). As described in the system of records notice DOT/ALL 14 (Federal Docket Management System), which can be reviewed at <https://www.transportation.gov/individuals/privacy/privacy-act-system-records-notices>, the comments are searchable by the name of the submitter.

## II. Legal Basis

FMCSA has authority under 49 U.S.C. 31136(e) and 31315(b) to grant exemptions from Federal Motor Carrier Safety Regulations (FMCSRs). FMCSA must publish a notice of each exemption request in the **Federal Register** (49 CFR 381.315(a)). The Agency must provide the public an opportunity to inspect the information relevant to the application, including the applicant's safety analysis. The Agency must provide an opportunity for public comment on the request.

The Agency reviews safety analyses and public comments submitted and determines whether granting the exemption would likely achieve a level of safety equivalent to, or greater than, the level that would be achieved by the current regulation (49 CFR 381.305(a)). The Agency must publish its decision in

the **Federal Register** (49 CFR 381.315(b)). If granted, the notice will identify the regulatory provision from which the applicant will be exempt the effective period, and all terms and conditions of the exemption (49 CFR 381.315(c)(1)). If the exemption is denied, the notice will explain the reason for the denial (49 CFR 381.315(c)(2)). The exemption may be renewed (49 CFR 381.300(b)).

### III. Background

The physical qualification standard for drivers regarding seizures and loss of consciousness provides that a person is physically qualified to drive a CMV if that person has “no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause the loss of consciousness or any loss of ability to control” a CMV (49 CFR 391.41(b)(8)). To assist in applying this standard, FMCSA publishes guidance for medical examiners (ME) in the form of medical advisory criteria in Appendix A to 49 CFR part 391.<sup>1</sup> In 2007, FMCSA published recommendations from a Medical Expert Panel (MEP) that FMCSA tasked to review the existing seizure disorder guidelines for MEs.<sup>2</sup> The MEP performed a comprehensive, systematic literature review, including evidence available at the time. The MEP issued recommended criteria to evaluate whether an individual with a history of epilepsy, a single unprovoked seizure, or a provoked seizure should be allowed to drive a CMV.

On January 15, 2013, FMCSA began granting exemptions, on a case-by-case basis, to individual drivers from the physical qualification standard regarding seizures and loss of consciousness in 49 CFR 391.41(b)(8) (78 FR 3069). The Agency considers the medical advisory criteria, the 2007 MEP recommendations, and each individual’s medical information and driving record in deciding whether to grant the exemption.

On December 27, 2024, FMCSA published a notice announcing receipt of applications from 12 individuals requesting an exemption from the epilepsy and seizure disorders prohibition in 49 CFR 391.41(b)(8) and requested comments from the public (89 FR 105680). The public comment period

ended on January 27, 2025, and one comment was received.

FMCSA has evaluated the eligibility of these applicants and determined that granting exemptions to these individuals would likely achieve a level of safety that is equivalent to, or greater than, the level that would be achieved by complying with § 391.41(b)(8).

### IV. Discussion of Comments

FMCSA received one comment in this proceeding. Jacob Johnstone, an applicant listed in this notice, stated his support for his exemption and his ability to drive in interstate commerce.

### V. Basis for Exemption Determination

The Agency conducted an individualized assessment of each applicant’s medical information, including the root cause of the respective seizure(s) and medical information about the applicant’s seizure history, the length of time that has elapsed since the individual’s last seizure, the stability of each individual’s treatment regimen and the duration of time on or off of anti-seizure medication. In addition, the Agency reviewed the treating clinician’s medical opinion related to the ability of the driver to safely operate a CMV with a seizure history and each certified driving record from their State Driver’s Licensing Agency (SDLA). The information obtained from each applicant’s driving record provides the Agency with details regarding any moving violations or reported crash data, which demonstrates whether the driver has a safe driving history and is an indicator of future driving performance. If the driving record revealed a crash, FMCSA requested and reviewed the related police reports and other relevant documents, such as the citation and conviction information. A summary of each applicant’s seizure history was discussed in the December 27, 2024, **Federal Register** notice (89 FR 105680) and will not be repeated in this notice.

These 12 applicants have been seizure-free over a range of 4–25 years while taking anti-seizure medication and maintained a stable medication treatment regimen for the last 2 years. In each case, the applicant’s treating physician verified his or her seizure history and supports the ability to drive commercially.

The Agency acknowledges the potential consequences of a driver experiencing a seizure while operating a CMV. However, the Agency believes the drivers granted this exemption have demonstrated that they are unlikely to have a seizure and their medical

condition does not pose a risk to public safety in the operation of a CMV.

Consequently, FMCSA finds further that in each case exempting these applicants from the epilepsy and seizure disorder prohibition in § 391.41(b)(8) would likely achieve a level of safety equivalent to that existing without the exemption, consistent with the applicable standard in 49 U.S.C. 31315(b)(1).

### VI. Terms and Conditions

The terms and conditions of the exemption are provided to the applicants in the exemption document and include the following: each driver must (1) remain seizure-free, maintain a stable treatment, and report to FMCSA within 24 hours if they experience a seizure during the 2-year exemption period; (2) submit to FMCSA annual reports from their treating physicians attesting to the stability of treatment and that the driver has remained seizure-free; (3) undergo an annual medical examination by a certified medical examiner, as defined by § 390.5T; (4) provide a copy of the annual medical certification to the employer for retention in the driver’s qualification file, or keep a copy of their driver’s qualification file if they are self-employed; (5) report to FMCSA the date, location, and time of any crashes as defined in § 390.5T within 7 days of the crash; (6) report to FMCSA any citations and convictions for disqualifying offenses under 49 CFR parts 383 and 391 within 7 days of the citations and convictions; and (7) submit to FMCSA annual certified driving records from their SDLA. The driver must also have a copy of the exemption when driving, for presentation to a duly authorized Federal, State, or local enforcement official. In addition, the driver must meet all applicable commercial driver’s license testing requirements.

### VII. Preemption

During the period the exemption is in effect, no State shall enforce any law or regulation that conflicts with this exemption with respect to a person operating under the exemption.

### VIII. Conclusion

Based upon its evaluation of the 12 exemption applications, FMCSA exempts the following drivers from the epilepsy and seizure disorder prohibition in § 391.41(b)(8), subject to the requirements cited above:

Ronald Buccheri (NJ)  
 Brian Daniels (NJ)  
 Christopher Dowdy (KS)  
 Dale Folsom (FL)  
 Kenneth Horten (AZ)

<sup>1</sup> 49 CFR part 391, App.A.II.G, available at <https://www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-391/appendix-Appendix%20A%20to%20Part%20391>.

<sup>2</sup> “Expert Panel Recommendations, Seizure Disorders and Commercial Motor Vehicle Driver Safety,” Medical Expert Panel (Oct. 15, 2007), available at <https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/2020-04/Seizure-Disorders-MEP-Recommendations-v2-prot%2010152007.pdf>.

Jacob Johnstone (WI)  
 Steven Nelson (IA)  
 Hunter Raso (VA)  
 Andrew Speights (MS)  
 Vic Sprenkle (PA)  
 Todd Weston (CA)  
 Vernon Wingate (MD)

In accordance with 49 U.S.C. 31315(b), each exemption will be valid for 2 years from the effective date unless revoked earlier by FMCSA. The exemption will be revoked if the following occurs: (1) the person fails to comply with the terms and conditions of the exemption; (2) the exemption has resulted in a lower level of safety than was maintained prior to being granted; or (3) continuation of the exemption would not be consistent with the goals and objectives of 49 U.S.C. 31136, 49 U.S.C. chapter 313, or the FMCSRs.

**Larry W. Minor,**  
*Associate Administrator for Policy.*

[FR Doc. 2025-05255 Filed 3-26-25; 8:45 am]

**BILLING CODE 4910-EX-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Motor Carrier Safety Administration

[Docket No. FMCSA-2014-0215; FMCSA-2015-0323; FMCSA-2016-0008; FMCSA-2018-0028; FMCSA-2018-0053; FMCSA-2018-0056; FMCSA-2020-0050; FMCSA-2022-0045; FMCSA-2022-0046]

### Qualification of Drivers; Exemption Applications; Epilepsy and Seizure Disorders

**AGENCY:** Federal Motor Carrier Safety Administration (FMCSA), Department of Transportation (DOT).

**ACTION:** Notice of final disposition.

**SUMMARY:** FMCSA announces its decision to renew exemptions for 19 individuals from the requirement in the Federal Motor Carrier Safety Regulations (FMCSRs) that interstate commercial motor vehicle (CMV) drivers have “no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause loss of consciousness or any loss of ability to control a CMV.” The exemptions enable these individuals who have had one or more seizures and are taking anti-seizure medication to continue to operate CMVs in interstate commerce.

**DATES:** Each group of renewed exemptions were applicable on the dates stated in the discussions below and will expire on the dates provided below.

**FOR FURTHER INFORMATION CONTACT:** Ms. Christine A. Hydock, Chief, Medical

Programs Division, FMCSA, DOT, 1200 New Jersey Avenue SE, Washington, DC 20590-0001; (202) 366-4001; [fmcamedical@dot.gov](mailto:fmcamedical@dot.gov). Office hours are from 8:30 a.m. to 5 p.m. ET Monday through Friday, except Federal holidays. If you have questions regarding viewing or submitting material to the docket, contact Dockets Operations, (202) 366-9826.

#### SUPPLEMENTARY INFORMATION:

##### I. Public Participation

###### A. Viewing Comments

To view comments, go to [www.regulations.gov](http://www.regulations.gov). Insert the docket number (FMCSA-2014-0215, FMCSA-2015-0323, FMCSA-2016-0008, FMCSA-2018-0028, FMCSA-2018-0053, FMCSA-2018-0056, FMCSA-2020-0050, FMCSA-2022-0045, or FMCSA-2022-0046) in the keyword box and click “Search.” Next, sort the results by “Posted (Newer-Older),” choose the first notice listed, and click “Browse Comments.” If you do not have access to the internet, you may view the docket online by visiting Dockets Operations on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590-0001, between 9 a.m. and 5 p.m. ET Monday through Friday, except Federal holidays. To be sure someone is there to help you, please call (202) 366-9317 or (202) 366-9826 before visiting Dockets Operations.

###### B. Privacy Act

In accordance with 49 U.S.C. 31315(b)(6), DOT solicits comments from the public on the exemption request. DOT posts these comments, without edit, including any personal information the commenter provides, to [www.regulations.gov](http://www.regulations.gov). As described in the system of records notice DOT/ALL 14 (Federal Docket Management System), which can be reviewed at <https://www.transportation.gov/individuals/privacy/privacy-act-system-records-notices>, the comments are searchable by the name of the submitter.

##### II. Legal Basis

FMCSA has authority under 49 U.S.C. 31136(e) and 31315(b) to grant exemptions from Federal Motor Carrier Safety Regulations (FMCSRs). FMCSA must publish a notice of each exemption request in the **Federal Register** (49 CFR 381.315(a)). The Agency must provide the public an opportunity to inspect the information relevant to the application, including the applicant’s safety analysis. The Agency must provide an opportunity for public comment on the request.

The Agency reviews safety analyses and public comments submitted and determines whether granting the exemption would likely achieve a level of safety equivalent to, or greater than, the level that would be achieved by the current regulation (49 CFR 381.305(a)). The Agency must publish its decision in the **Federal Register** (49 CFR 381.315(b)). If granted, the notice will identify the regulatory provision from which the applicant will be exempt the effective period, and all terms and conditions of the exemption (49 CFR 381.315(c)(1)). If the exemption is denied, the notice will explain the reason for the denial (49 CFR 381.315(c)(2)). The exemption may be renewed (49 CFR 381.300(b)).

##### III. Background

The physical qualification standard for drivers regarding seizures and loss of consciousness provides that a person is physically qualified to drive a CMV if that person has “no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause the loss of consciousness or any loss of ability to control” a CMV (49 CFR 391.41(b)(8)). To assist in applying this standard, FMCSA publishes guidance for medical examiners (ME) in the form of medical advisory criteria in Appendix A to 49 CFR part 391.<sup>1</sup> In 2007, FMCSA published recommendations from a Medical Expert Panel (MEP) that FMCSA tasked to review the existing seizure disorder guidelines for MEs.<sup>2</sup> The MEP performed a comprehensive, systematic literature review, including evidence available at the time. The MEP issued recommended criteria to evaluate whether an individual with a history of epilepsy, a single unprovoked seizure, or a provoked seizure should be allowed to drive a CMV.

On January 15, 2013, FMCSA began granting exemptions, on a case-by-case basis, to individual drivers from the physical qualification standard regarding seizures and loss of consciousness in 49 CFR 391.41(b)(8) (78 FR 3069). The Agency considers the medical advisory criteria, the 2007 MEP recommendations, and each individual’s medical information and driving record in deciding whether to grant the exemption.

<sup>1</sup> 49 CFR part 391, App.A.II.G, available at <https://www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-391/appendix-Appendix%20A%20to%20Part%20391>.

<sup>2</sup> “Expert Panel Recommendations, Seizure Disorders and Commercial Motor Vehicle Driver Safety,” Medical Expert Panel (Oct. 15, 2007), available at <https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/2020-04/Seizure-Disorders-MEP-Recommendations-v2-prot%2010152007.pdf>.

On January 6, 2025, FMCSA published a notice announcing its decision to renew exemptions for 19 individuals from the epilepsy and seizure disorders prohibition in 49 CFR 391.41(b)(8) to operate a CMV in interstate commerce and requested comments from the public (90 FR 718). The public comment period ended on February 5, 2025, and no comments were received.

FMCSA has evaluated the eligibility of these applicants and determined that renewing these exemptions would likely achieve a level of safety that is equivalent to, or greater than, the level that would be achieved by complying with § 391.41(b)(8).

#### IV. Discussion of Comments

FMCSA received no comments in this proceeding.

#### V. Conclusion

Based on its evaluation of the 19 renewal exemption applications and no comments received, FMCSA announces its decision to exempt the following drivers from the epilepsy and seizure disorders prohibition in § 391.41(b)(8). As of January 1, 2025, and in accordance with 49 U.S.C. 31136(e) and 31315(b), the following 11 individuals have satisfied the renewal conditions for obtaining an exemption from the epilepsy and seizure disorders prohibition in the FMCSRs for interstate CMV drivers (90 FR 718):

Ricky Alegre (NJ)  
Thomas Avery (NY)  
Kenneth Boglia (NC)  
Jake Higginbotham (NV)  
Jordan Hyster (OH)  
Matthew Jacobson (PA)  
Everett Letourneau (ND)  
Keith Maat (KS)  
Ty Martin (WV)  
Douglas Simms, Jr. (NC)  
Ronald Wagner (OH)

The drivers were included in docket number FMCSA–2014–0215, FMCSA–2015–0323, FMCSA–2016–0008, FMCSA–2018–0028, FMCSA–2018–0053, FMCSA–2018–0056, FMCSA–2020–0050, or FMCSA–2022–0045. Their exemptions were applicable as of January 1, 2025, and will expire on January 1, 2027.

As of January 11, 2025, and in accordance with 49 U.S.C. 31136(e) and 31315(b), Dylan C. Hill (KS) has satisfied the renewal conditions for obtaining an exemption from the epilepsy and seizure disorders prohibition in the FMCSRs for interstate CMV drivers (90 FR 718).

This driver was included in docket number FMCSA–2016–0008. The

exemption was applicable as of January 11, 2025, and will expire on January 11, 2027.

As of January 25, 2025, and in accordance with 49 U.S.C. 31136(e) and 31315(b), the following seven individuals have satisfied the renewal conditions for obtaining an exemption from the epilepsy and seizure disorders prohibition in the FMCSRs for interstate CMV drivers (90 FR 718):

Joseph Carlisle (IL)  
Samuel Collins (SC)  
Michael Day (AZ)  
Brian Graham (MN)  
Matthew Raymond (NY)  
Eric Stucky (NC)  
Thomas Weber (NY)

The drivers were included in docket number FMCSA–2022–0046. Their exemptions were applicable as of January 25, 2025, and will expire on January 25, 2027.

In accordance with 49 U.S.C. 31315(b), each exemption will be valid for 2 years from the effective date unless revoked earlier by FMCSA. The exemption will be revoked if the following occurs: (1) the person fails to comply with the terms and conditions of the exemption; (2) the exemption has resulted in a lower level of safety than was maintained prior to being granted; or (3) continuation of the exemption would not be consistent with the goals and objectives of 49 U.S.C. 31136(e) and 31315(b).

Larry W. Minor,

*Associate Administrator for Policy.*

[FR Doc. 2025–05251 Filed 3–26–25; 8:45 am]

**BILLING CODE 4910–EX–P**

## DEPARTMENT OF TRANSPORTATION

### Federal Motor Carrier Safety Administration

[Docket No. FMCSA–2025–0008]

#### Qualification of Drivers; Exemption Applications; Epilepsy and Seizure Disorders

**AGENCY:** Federal Motor Carrier Safety Administration (FMCSA), Department of Transportation (DOT).

**ACTION:** Notice of applications for exemption; request for comments.

**SUMMARY:** FMCSA announces receipt of applications from 32 individuals from the prohibition in the Federal Motor Carrier Safety Regulations (FMCSRs) against persons with a clinical diagnosis of epilepsy or any other condition that is likely to cause a loss of consciousness or any loss of ability to control a commercial motor vehicle (CMV) to

drive in interstate commerce. If granted, the exemptions would enable these individuals who have had one or more seizures and are taking anti-seizure medication to operate CMVs in interstate commerce.

**FOR FURTHER INFORMATION CONTACT:** Ms. Christine A. Hydock, Chief, Medical Programs Division, FMCSA, Department of Transportation, 1200 New Jersey Avenue SE, Washington, DC 20590–0001; (202) 366–4001; [fmcsamedical@dot.gov](mailto:fmcsamedical@dot.gov). Office hours are from 8:30 a.m. to 5 p.m. ET Monday through Friday, except Federal holidays. If you have questions regarding viewing material in the docket, contact Dockets Operations, (202) 366–9826.

#### SUPPLEMENTARY INFORMATION:

##### I. Public Participation

FMCSA encourages you to participate by submitting comments and related materials.

##### A. Submitting Comments

If you submit a comment, please include the docket number for this notice (FMCSA–2025–0008) indicate the specific section of this document to which the comment applies and provide a reason for suggestions or recommendations. You may submit your comments and material online or by fax, mail, or hand delivery, but please use only one of these means. FMCSA recommends that you include your name and a mailing address, an email address, or a phone number in the body of your document so the Agency can contact you if it has questions regarding your submission.

To submit your comment online, go to [www.regulations.gov/docket/FMCSA-2025-0008](http://www.regulations.gov/docket/FMCSA-2025-0008), click on this notice, click “Comment,” and type your comment into the text box on the following screen.

If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing.

FMCSA will consider all comments and material received during the comment period. Comments received after the comment closing date will be filed in the public docket and will be considered to the extent practicable.

##### B. Confidential Business Information (CBI)

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to the notice contain

commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to the notice, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission that constitutes CBI as "PROPIN" to indicate it contains proprietary information. FMCSA will treat such marked submissions as confidential under the Freedom of Information Act, and they will not be placed in the public docket of the notice. Submissions containing CBI should be sent to Brian Dahlin, Chief, Regulatory Evaluation Division, Office of Policy, FMCSA, 1200 New Jersey Avenue SE, Washington, DC 20590-0001 or via email at [brian.g.dahlin@dot.gov](mailto:brian.g.dahlin@dot.gov). At this time, you need not send a duplicate hardcopy of your electronic CBI submissions to FMCSA headquarters. Any comments FMCSA receives not specifically designated as CBI will be placed in the public docket for this notice.

#### C. Viewing Comments and Documents

To view comments, as well as any documents mentioned as being available in the docket, go to <https://www.regulations.gov/docket/FMCSA-2025-0008/document> and choose the document to review. To view comments, click this notice, then click "Browse Comments." If you do not have access to the internet, you may view the docket online by visiting Docket Operations on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590-0001, between 9 a.m. and 5 p.m., ET Monday through Friday, except Federal holidays. To be sure someone is there to help you, please call (202) 366-9317 or (202) 366-9826 before visiting Dockets Operations.

#### D. Privacy Act

In accordance with 49 U.S.C. 31315(b)(6), DOT solicits comments from the public on the exemption request. DOT posts these comments, without edit, including any personal information the commenter provides, to [www.regulations.gov](https://www.regulations.gov). As described in the system of records notice DOT/ALL 14 (Federal Docket Management System), which can be reviewed at <https://www.transportation.gov/individuals/privacy/privacy-act-system-records-notices>, the comments are searchable by the name of the submitter.

## II. Legal Basis

FMCSA has authority under 49 U.S.C. 31136(e) and 31315(b) to grant exemptions from Federal Motor Carrier

Safety Regulations (FMCSRs). FMCSA must publish a notice of each exemption request in the **Federal Register** (49 CFR 381.315(a)). The Agency must provide the public an opportunity to inspect the information relevant to the application, including the applicant's safety analysis. The Agency must provide an opportunity for public comment on the request.

The Agency reviews safety analyses and public comments submitted and determines whether granting the exemption would likely achieve a level of safety equivalent to, or greater than, the level that would be achieved absent such exemption, pursuant to 49 U.S.C. 31315(b)(1). The Agency must publish its decision in the **Federal Register** (49 CFR 381.315(b)). If granted, the notice will identify the regulatory provision from which the applicant will be exempt the effective period, and all terms and conditions of the exemption (49 CFR 381.315(c)(1)). If the exemption is denied, the notice will explain the reason for the denial (49 CFR 381.315(c)(2)). The exemption may be renewed (49 CFR 381.300(b)). FMCSA grants medical exemptions from the FMCSRs for a 2-year period to align with the maximum duration of a driver's medical certification.

## III. Background

The physical qualification standard for drivers regarding seizures and loss of consciousness provides that a person is physically qualified to drive a CMV if that person has "no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause the loss of consciousness or any loss of ability to control" a CMV (49 CFR 391.41(b)(8)). To assist in applying this standard, FMCSA publishes guidance for medical examiners (ME) in the form of medical advisory criteria in Appendix A to 49 CFR part 391.<sup>1</sup> In 2007, FMCSA published recommendations from a Medical Expert Panel (MEP) that FMCSA tasked to review the existing seizure disorder guidelines for MEs.<sup>2</sup> The MEP performed a comprehensive, systematic literature review, including evidence available at the time. The MEP issued recommended criteria to evaluate whether an individual with a history of epilepsy, a single unprovoked seizure,

<sup>1</sup> 49 CFR part 391, App.A.II.G, available at <https://www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-391/appendix-Appendix%20A%20to%20Part%20391>.

<sup>2</sup> "Expert Panel Recommendations, Seizure Disorders and Commercial Motor Vehicle Driver Safety," Medical Expert Panel (Oct. 15, 2007), available at <https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/2020-04/Seizure-Disorders-MEP-Recommendations-v2-prot%2010152007.pdf>.

or a provoked seizure should be allowed to drive a CMV.

On January 15, 2013, FMCSA began granting exemptions on a case-by-case basis to individual drivers from the physical qualification standard regarding seizures and loss of consciousness in 49 CFR 391.41(b)(8) (78 FR 3069). The Agency considers the medical advisory criteria, the 2007 MEP recommendations, and each individual's medical information and driving record in deciding whether to grant the exemption.

The 32 individuals listed in this notice have requested an exemption from the epilepsy and seizure disorders prohibition in 49 CFR 391.41(b)(8). Accordingly, the Agency will evaluate the qualifications of each applicant to determine whether granting the exemption will achieve the required level of safety mandated by statute.

## IV. Qualifications of Applicants

#### Jarrett Benjamin

Jarrett Benjamin is a 25-year-old class BM commercial driver's license (CDL) holder in New York. They have a history of generalized convulsive epilepsy and have been seizure free since March 2019. They take anti-seizure medication with the dosage and frequency remaining the same since June 2018. Their physician states that they are supportive of Jarrett Benjamin receiving an exemption.

#### Christopher Brandt

Christopher Brandt is a 27-year-old class A CDL holder in New York. They have a history of seizure disorder and have been seizure free since 2004. They take anti-seizure medication with the dosage and frequency remaining the same since December 2020. Their physician states that they are supportive of Christopher Brandt receiving an exemption.

#### Donald Buck

Donald Buck is a 52-year-old class D license holder in Ohio. They have a history of post-traumatic epilepsy and have been seizure free since July 2019. They take anti-seizure medication with the dosage and frequency remaining the same since August 2, 2019. Their physician states that they are supportive of Donald Buck receiving an exemption.

#### Wyatt Chisamore

Wyatt Chisamore is a 19-year-old class D license holder in Vermont. They have a history of nocturnal left centro-temporo-parietal epilepsy and have been seizure free since July 2017. They take anti-seizure medication with the dosage and frequency remaining the

same since January 17, 2024. Their physician states that they are supportive of Wyatt Chisamore receiving an exemption.

*Teagan Clark*

Teagan Clark is a 27-year-old class C license holder in North Carolina. They have a history of unprovoked seizures and have been seizure free since March 9, 2023. They take anti-seizure medication with the dosage and frequency remaining the same since February 2023. Their physician states that they are supportive of Teagan Clark receiving an exemption.

*Derrick Cudd*

Derrick Cudd is a 23-year-old class C license holder in Iowa. They have a history of generalized nonconclusive seizures and have been seizure free since December 14, 2015. They take anti-seizure medication with the dosage and frequency remaining the same since December 27, 2022. Their physician states that they are supportive of Derrick Cudd receiving an exemption.

*Zane DeGroff*

Zane DeGroff is a 23-year-old class D license holder in Utah. They have a history of generalized epilepsy and have been seizure free since May 16, 2022. They take anti-seizure medication with the dosage and frequency remaining the same since May 16, 2022. Their physician states that they are supportive of Zane DeGroff receiving an exemption.

*Charles Elliott*

Charles Elliott is a 79-year-old class E license holder in Missouri. They have a history of focal seizures and have been seizure free since 2022. They take anti-seizure medication with the dosage and frequency remaining the same since 2022. Their physician states that they are supportive of Charles Elliott receiving an exemption.

*Jonathan Flight*

Jonathan Flight is a 26-year-old class A CDL holder in Nebraska. They have a history of complex partial epilepsy and have been seizure free since 2019. They take anti-seizure medication with the dosage and frequency remaining the same since December 2021. Their physician states that they are supportive of Jonathan Flight receiving an exemption.

*Jason Griese*

Jason Griese is a 44-year-old class 2 license holder in South Dakota. They have a history of epilepsy and have been seizure free since April 12, 2024. They take anti-seizure medication with the

dosage and frequency remaining the same since June 20, 2024. Their physician states that they are supportive of Jason Griese receiving an exemption.

*Jacob Griffin*

Jacob Griffin is a 21-year-old class BCD CDL holder in Wisconsin. They have a history of possible rolandic epilepsy and have been seizure free since June 2014. They take anti-seizure medication with the dosage and frequency remaining the same since 2018. Their physician states that they are supportive of Jacob Griffin receiving an exemption.

*Andrew Harenchar*

Andrew Harenchar is a 51-year-old class D license holder in Ohio. They have a history of localization-related consciousness impaired seizures with secondary generalization and have been seizure free since March 15, 2020. They take anti-seizure medication with the dosage and frequency remaining the same since June 13, 2023. Their physician states that they are supportive of Andrew Harenchar receiving an exemption.

*Darren Holthaus*

Darren Holthaus is a 57-year-old class A CDL holder in Kansas. They have a history of single provoked seizure and have been seizure free since February 2019. They take anti-seizure medication with the dosage and frequency remaining the same since 2019. Their physician states that they are supportive of Darren Holthaus receiving an exemption.

*John Honey*

John Honey is a 36-year-old class A CDL holder in Montana. They have a history of unprovoked seizure and have been seizure free since March 4, 2024. They take anti-seizure medication with the dosage and frequency remaining the same since March 4, 2024. Their physician states that they are supportive of John Honey receiving an exemption.

*Aaron Johnson*

Aaron Johnson is a 21-year-old class B commercial learner permit holder in North Carolina. They have a history of seizure disorder and have been seizure free since November 19, 2023. They have never taken anti-seizure medication. Their physician states that they are supportive of Aaron Johnson receiving an exemption.

*James Klucas*

James Klucas is a 55-year-old class A CDL holder in Kansas. They have a history of generalized convulsive

epilepsy and have been seizure free since 1999. They take anti-seizure medication with the dosage and frequency remaining the same since December 19, 2023. Their physician states that they are supportive of James Klucas receiving an exemption.

*Kenneth Lone*

Kenneth Lone is a 70-year-old class B CDL holder in Utah. They have a history of metastatic melanoma and have been seizure free since February 2023. They take anti-seizure medication with the dosage and frequency remaining the same since April 2023. Their physician states that they are supportive of Kenneth Lone receiving an exemption.

*Ashley Marshall*

Ashley Marshall is a 38-year-old class B CDL holder in Maine. They have a history of seizure disorder and have been seizure free since March 2019. They take anti-seizure medication with the dosage and frequency remaining the same since April 2019. Their physician states that they are supportive of Ashley Marshall receiving an exemption.

*Nathan Moe*

Nathan Moe is a 30-year-old class D license holder in Minnesota. They have a history of epilepsy and have been seizure free since December 2021. They take anti-seizure medication with the dosage and frequency remaining the same since August 2022. Their physician states that they are supportive of Nathan Moe receiving an exemption.

*Aaron Moore*

Aaron Moore is a 26-year-old class A CDL license holder in Rhode Island. They have a history of a single provoked seizure and have been seizure free since January 13, 2024. They take anti-seizure medication with the dosage and frequency remaining the same since July 12, 2024. Their physician states that they are supportive of Aaron Moore receiving an exemption.

*Dale Mosely*

Dale Mosely is a 53-year-old regular operator license holder in Indiana. They have a history of complex partial seizures and have been seizure free since December 21, 2022. They take anti-seizure medication with the dosage and frequency remaining the same since November 12, 2020. Their physician states that they are supportive of Dale Mosely receiving an exemption.

*Jeffrey Muller*

Jeffrey Muller is a 51-year-old class C license holder in Pennsylvania. They have a history of epilepsy and have been

seizure free since December 25, 2020. They take anti-seizure medication with the dosage and frequency remaining the same since 2020. Their physician states that they are supportive of Jeffrey Muller receiving an exemption.

#### *Francis Palumbo*

Francis Palumbo is a 43-year-old class 10 license holder in Rhode Island. They have a history of epilepsy and have been seizure free since February 15, 2024. They take anti-seizure medication with the dosage and frequency remaining the same since February 15, 2024. Their physician states that they are supportive of Francis Palumbo receiving an exemption.

#### *William Roberson*

William Roberson is a 35-year-old class DV license holder in Alabama. They have a history of epilepsy and have been seizure free since August 24, 2023. They take anti-seizure medication with the dosage and frequency remaining the same since August 2023. Their physician states that they are supportive of William Roberson receiving an exemption.

#### *Ernest Sang*

Ernest Sang is a 55-year-old class A CDL holder in North Carolina. They have a history of provoked single seizure and have been seizure free since August 8, 2020. They take anti-seizure medication with the dosage and frequency remaining the same since 2020. Their physician states that they are supportive of Ernest Sang receiving an exemption.

#### *Robert Schauer*

Robert Schauer is a 40-year-old class A CDL holder in Iowa. They have a history of epilepsy and have been seizure free since August 2012. They take anti-seizure medication with the dosage and frequency remaining the same since April 2017. Their physician states that they are supportive of Robert Schauer receiving an exemption.

#### *Corbin Shoppell*

Corbin Shoppell is a 24-year-old regular operator license holder in Indiana. They have a history of seizure disorder and have been seizure free since May 2021. They take anti-seizure medication with the dosage and frequency remaining the same since 2021. Their physician states that they are supportive of Corbin Shoppell receiving an exemption.

#### *Marc Stoltenberg*

Marc Stoltenberg is a 27-year-old class D license holder in Minnesota. They

have a history of a provoked seizure and have been seizure free since September 17, 2022. They take anti-seizure medication with the dosage and frequency remaining the same since 2022. Their physician states that they are supportive of Marc Stoltenberg receiving an exemption.

#### *John Trout*

John Trout is a 19-year-old class C license holder in Maryland. They have a history of generalized tonic clonic epilepsy and have been seizure free since February 2020. They take anti-seizure medication with the dosage and frequency remaining the same since June 2020. Their physician states that they are supportive of John Trout receiving an exemption.

#### *Austin Wickizer*

Austin Wickizer is a 19-year-old class D license holder in Virginia. They have a history of epilepsy and have been seizure free since November 2018. They take anti-seizure medication with the dosage and frequency remaining the same since October 2018. Their physician states that they are supportive of Austin Wickizer receiving an exemption.

#### *Joshua Willits*

Joshua Willits is a 31-year-old class C license holder in Pennsylvania. They have a history of generalized epilepsy and have been seizure free since February 7, 2022. They take anti-seizure medication with the dosage and frequency remaining the same since February 11, 2022. Their physician states that they are supportive of Joshua Willits receiving an exemption.

#### *Alan Wilson*

Alan Wilson is a 63-year-old class A CDL holder in New Hampshire. They have a history of an unprovoked seizure and have been seizure free since June 1, 2024. They take anti-seizure medication with the dosage and frequency remaining the same since July 8, 2024. Their physician states that they are supportive of Alan Wilson receiving an exemption.

### **V. Request for Comments**

In accordance with 49 U.S.C. 31136(e) and 31315(b), FMCSA requests public comment from all interested persons on the exemption petitions described in this notice. We will consider all comments received before the close of business on the closing date indicated under the **DATES** section of the notice. Jarrett Benjamin (NY)  
Donald Buck (OH)  
Christopher Brandt (NY)

Wyatt Chisamore (VT)  
Teagan Clark (NC)  
Derrick Cudd (IA)  
Zane DeGross (UT)  
Charles Elliott (MO)  
Jonathan Flight (NE)  
Jason Griesse (ND)  
Jacob Griffin (WI)  
Andrew Harenchar (OH)  
Darren Holthaus (KS)  
John Honey (MT)  
Aaron Johnson (NC)  
James Klucas (KA)  
Kenneth Lone (UT)  
Ashley Marshall (ME)  
Nathan Moe (MN)  
Aaron Moore (RI)  
Dale Mosely (IN)  
Jeffrey Muller (PA)  
Francis Palumbo (RI)  
William Roberson (AL)  
Ernest Sang (NC)  
Robert Schauer (IA)  
Corbin Shoppell (IN)  
Marc Stoltenberg (MN)  
John Trout (MD)  
Austin Wickizer (VA)  
Joshua Willits (PA)  
Alan Wilson (NH)

#### **Larry W. Minor,**

*Associate Administrator for Policy.*

[FR Doc. 2025–05252 Filed 3–26–25; 8:45 am]

**BILLING CODE 4910–EX–P**

## **DEPARTMENT OF TRANSPORTATION**

### **Federal Motor Carrier Safety Administration**

[Docket No. FMCSA–2014–0215; FMCSA–2015–0323; FMCSA–2016–0008; FMCSA–2018–0028; FMCSA–2018–0053; FMCSA–2018–0056; FMCSA–2020–0050; FMCSA–2022–0045; FMCSA–2022–0046]

### **Qualification of Drivers; Exemption Applications; Epilepsy and Seizure Disorders; Correction**

**AGENCY:** Federal Motor Carrier Safety Administration (FMCSA), Department of Transportation (DOT).

**ACTION:** Notice of renewal of exemptions; request for comments; correction.

**SUMMARY:** FMCSA corrects its January 6, 2025, notice requesting comments for 19 individuals to renew exemptions from the Agency's requirement in the Federal Motor Carrier Safety Regulations (FMCSRs) that interstate commercial motor vehicle (CMV) drivers have no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause loss of consciousness or any loss of ability to control a CMV. An individual's name was misspelled, and this notice corrects that error.

**DATES:** This correction is effective March 27, 2025. Comments on the notice must be received on or before March 5, 2025.

**FOR FURTHER INFORMATION CONTACT:** Ms. Christine A. Hydock, Chief, Medical Programs Division, FMCSA, DOT, 1200 New Jersey Avenue SE, Room W64-224, Washington, DC 20590-0001; (202) 366-4001; [fmcsamedical@dot.gov](mailto:fmcsamedical@dot.gov). Office hours are from 8:30 a.m. to 5 p.m. ET Monday through Friday, except Federal holidays. If you have questions regarding viewing materials in the docket, contact Dockets Operations, (202) 366-9826.

**SUPPLEMENTARY INFORMATION:** On January 6, 2025 (90 FR 718), FMCSA published a notice of renewal of exemption in which the Agency announced its decision to renew exemptions for 19 individuals from the requirement that interstate CMV drivers have “no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause loss of consciousness or any loss of ability to control a CMV.” The exemptions enable these individuals who have had one or more seizures and are taking anti-seizure medication to operate CMVs in interstate commerce, provided certain conditions are satisfied. The name of an individual listed in the notice is misspelled. Through this notice, FMCSA corrects the error in the spelling of their name.

In FR Doc. 2024-31759 appearing on page 718 in the **Federal Register** of January 6, 2025, the following correction is made:

1. On page 719, in the second column, the individual's name, “Kieth Maat (KS)” is corrected to read “Keith Maat (KS).”

Issued under authority delegated in 49 CFR 1.87.

Larry W. Minor,

Associate Administrator for Policy.

[FR Doc. 2025-05256 Filed 3-26-25; 8:45 am]

BILLING CODE 4910-EX-P

## DEPARTMENT OF TRANSPORTATION

### Federal Motor Carrier Safety Administration

[Docket No. FMCSA-2025-0010]

#### Qualification of Drivers; Exemption Applications; Epilepsy and Seizure Disorders

**AGENCY:** Federal Motor Carrier Safety Administration (FMCSA), Department of Transportation (DOT).

**ACTION:** Notice of applications for exemption; request for comments.

**SUMMARY:** FMCSA announces receipt of applications from 11 individuals for an exemption from the prohibition in the Federal Motor Carrier Safety Regulations (FMCSRs) against persons with a clinical diagnosis of epilepsy or any other condition that is likely to cause a loss of consciousness or any loss of ability to control a commercial motor vehicle (CMV) to drive in interstate commerce. If granted, the exemptions would enable these individuals who have had one or more seizures and are taking anti-seizure medication to operate CMVs in interstate commerce.

**DATES:** Comments must be received on or before April 28, 2025.

**ADDRESSES:** You may submit comments identified by the Federal Docket Management System Docket No. FMCSA-2025-0010 using any of the following methods:

- **Federal eRulemaking Portal:** Go to [www.regulations.gov/](http://www.regulations.gov/), insert the docket number (FMCSA-2025-0010) in the keyword box and click “Search.” Next, choose the only notice listed, and click on the “Comment” button. Follow the online instructions for submitting comments.
- **Mail:** Dockets Operations; U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Washington, DC 20590-0001.
- **Hand Delivery:** West Building Ground Floor, 1200 New Jersey Avenue SE, Washington, DC 20590-0001 between 9 a.m. and 5 p.m. ET Monday through Friday, except Federal holidays.
- **Fax:** (202) 493-2251.

To avoid duplication, please use only one of these four methods. See the “Public Participation” portion of the **SUPPLEMENTARY INFORMATION** section for instructions on submitting comments.

**FOR FURTHER INFORMATION CONTACT:** Ms. Christine A. Hydock, Chief, Medical Programs Division, FMCSA, DOT, 1200 New Jersey Avenue SE, Washington, DC 20590-0001, (202) 366-4001, [fmcsamedical@dot.gov](mailto:fmcsamedical@dot.gov). Office hours are 8:30 a.m. to 5 p.m. ET Monday through Friday, except Federal holidays. If you have questions regarding viewing or submitting material to the docket, contact Dockets Operations, (202) 366-9826.

#### SUPPLEMENTARY INFORMATION:

##### I. Public Participation

###### A. Submitting Comments

If you submit a comment, please include the docket number for this notice (Docket No. FMCSA-2025-0010),

indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation. You may submit your comments and material online or by fax, mail, or hand delivery, but please use only one of these means. FMCSA recommends that you include your name and a mailing address, an email address, or a phone number in the body of your document so that FMCSA can contact you if there are questions regarding your submission.

To submit your comment online, go to <https://www.regulations.gov/docket/FMCSA-2025-0010>. Next, choose the only notice listed, click the “Comment” button, and type your comment into the text box on the following screen. Choose whether you are submitting your comment as an individual or on behalf of a third party and then submit.

If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. FMCSA will consider all comments and material received during the comment period.

##### B. Confidential Business Information (CBI)

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to the notice contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to the notice, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission that constitutes CBI as “PROPIN” to indicate it contains proprietary information. FMCSA will treat such marked submissions as confidential under the Freedom of Information Act, and they will not be placed in the public docket of the notice. Submissions containing CBI should be sent to Brian Dahlin, Chief, Regulatory Evaluation Division, Office of Policy, FMCSA, 1200 New Jersey Avenue SE, Washington, DC 20590-0001 or via email at [brian.g.dahlin@dot.gov](mailto:brian.g.dahlin@dot.gov). At this time, you need not send a duplicate hardcopy of your electronic CBI submissions to FMCSA headquarters. Any comments FMCSA receives not specifically designated as CBI will be placed in the public docket for this notice.

### C. Viewing Comments

To view comments, go to [www.regulations.gov/](http://www.regulations.gov/), insert the docket number (FMCSA–2025–0010) in the keyword box and click “Search.” Next, choose the only notice listed, and click “Browse Comments.” If you do not have access to the internet, you may view the docket online by visiting Dockets Operations on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, between 9 a.m. and 5 p.m. ET Monday through Friday, except Federal holidays. To be sure someone is there to help you, please call (202) 366–9317 or (202) 366–9826 before visiting Dockets Operations.

### D. Privacy Act

In accordance with 49 U.S.C. 31315(b)(6), DOT solicits comments from the public on the exemption request. DOT posts these comments, without edit, including any personal information the commenter provides, to [www.regulations.gov](http://www.regulations.gov). As described in the system of records notice DOT/ALL 14 (Federal Docket Management System), which can be reviewed at <https://www.transportation.gov/individuals/privacy/privacy-act-system-records-notices>, the comments are searchable by the name of the submitter.

## II. Legal Basis

FMCSA has authority under 49 U.S.C. 31136(e) and 31315(b) to grant exemptions from Federal Motor Carrier Safety Regulations (FMCSRs). FMCSA must publish a notice of each exemption request in the **Federal Register** (49 CFR 381.315(a)). The Agency must provide the public an opportunity to inspect the information relevant to the application, including the applicant's safety analysis. The Agency must provide an opportunity for public comment on the request.

The Agency reviews safety analyses and public comments submitted and determines whether granting the exemption would likely achieve a level of safety equivalent to, or greater than, the level that would be achieved absent such exemption, pursuant to 49 U.S.C. 31315(b)(1). The Agency must publish its decision in the **Federal Register** (49 CFR 381.315(b)). If granted, the notice will identify the regulatory provision from which the applicant will be exempt the effective period, and all terms and conditions of the exemption (49 CFR 381.315(c)(1)). If the exemption is denied, the notice will explain the reason for the denial (49 CFR 381.315(c)(2)). The exemption may be renewed (49 CFR 381.300(b)). FMCSA

grants medical exemptions from the FMCSRs for a 2-year period to align with the maximum duration of a driver's medical certification.

## III. Background

The physical qualification standard for drivers regarding seizures and loss of consciousness provides that a person is physically qualified to drive a CMV if that person has “no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause the loss of consciousness or any loss of ability to control” a CMV (49 CFR 391.41(b)(8)). To assist in applying this standard, FMCSA publishes guidance for medical examiners (ME) in the form of medical advisory criteria in Appendix A to 49 CFR part 391.<sup>1</sup> In 2007, FMCSA published recommendations from a Medical Expert Panel (MEP) that FMCSA tasked to review the existing seizure disorder guidelines for MEs.<sup>2</sup> The MEP performed a comprehensive, systematic literature review, including evidence available at the time. The MEP issued recommended criteria to evaluate whether an individual with a history of epilepsy, a single unprovoked seizure, or a provoked seizure should be allowed to drive a CMV.

On January 15, 2013, FMCSA began granting exemptions, on a case-by-case basis, to individual drivers from the physical qualification standard regarding seizures and loss of consciousness in 49 CFR 391.41(b)(8) (78 FR 3069). The Agency considers the medical advisory criteria, the 2007 MEP recommendations, and each individual's medical information and driving record in deciding whether to grant the exemption.

The 11 individuals listed in this notice have requested an exemption from the epilepsy and seizure disorders prohibition in 49 CFR 391.41(b)(8). Accordingly, the Agency will evaluate the qualifications of each applicant to determine whether granting the exemption will achieve the required level of safety mandated by statute.

## IV. Qualifications of Applicants

### Tyson Bridgeman

Tyson Bridgeman is a 39-year-old class B commercial driver's license

(CDL) holder in Indiana. They have a history of epilepsy and have been seizure free since 2004. They take anti-seizure medication with the dosage and frequency remaining the same since 2013. Their physician states that they are supportive of Tyson Bridgeman receiving an exemption.

### Matthew Bouy

Matthew Bouy is a 36-year-old class C license holder in Pennsylvania. They have a history of seizure disorder and have been seizure free since 2010. They take anti-seizure medication with the dosage and frequency remaining the same since 2022. Their physician states that they are supportive of Matthew Bouy receiving an exemption.

### Austin Goad

Austin Goad is a 24-year-old class C license holder in North Carolina. They have a history of complex partial seizures and have been seizure free since January 1, 2016. They take anti-seizure medication with the dosage and frequency remaining the same since January 8, 2020. Their physician states that they are supportive of Austin Goad receiving an exemption.

### Jeffery Hodges

Jeffery Hodges is a 50-year-old class E license holder in Missouri. They have a history of epilepsy and have been seizure free since 2013. They take anti-seizure medication with the dosage and frequency remaining the same since 2013. Their physician states that they are supportive of Jeffery Hodges receiving an exemption.

### William Lewis

William Lewis is a 49-year-old class C license holder in Kansas. They have a history of generalized seizure disorder and have been seizure free since 2006. They take anti-seizure medication with the dosage and frequency remaining the same since 2001. Their physician states that they are supportive of William Lewis receiving an exemption.

### Efren Medrano

Efren Medrano is a 21-year-old class A CDL holder in California. They have a history of Synapsin-I related focal epilepsy and have been seizure free since January 2, 2016. They take anti-seizure medication with the dosage and frequency remaining the same since July 21, 2016. Their physician states that they are supportive of Efren Medrano receiving an exemption.

### Aaron McEuen

Aaron McEuen is a 53-year-old class D license holder in Utah. They have a

<sup>1</sup> 49 CFR part 391, app.A.II.G, available at <https://www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-391/appendix-Appendix%20A%20to%20Part%20391>.

<sup>2</sup> “Expert Panel Recommendations, Seizure Disorders and Commercial Motor Vehicle Driver Safety,” Medical Expert Panel (Oct. 15, 2007), available at <https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/2020-04/Seizure-Disorders-MEP-Recommendations-v2-prot%2010152007.pdf>.

history of epilepsy and have been seizure free since 2013. They take anti-seizure medication with the dosage and frequency remaining the same since September 30, 2015. Their physician states that they are supportive of Aaron McEuen receiving an exemption.

*Melissa Mohr*

Melissa Mohr is a 40-year-old class DM regular license holder in Wisconsin. They have a history of seizures and have been seizure free since 2017. They take anti-seizure medication with the dosage and frequency remaining the same since October 31, 2016. Their physician states that they are supportive of Melissa Mohr receiving an exemption.

*Joshua Parente*

Joshua Parente is a 47-year-old class DM license holder in New York. They have a history of juvenile myoclonic epilepsy and have been seizure free since November 21, 2016. They take anti-seizure medication with the dosage and frequency remaining the same since 2016. Their physician states that they are supportive of Joshua Parente receiving an exemption.

*Jeffrey Schultz*

Jeffrey Schultz is a 38-year-old class ABCD CDL holder in Wisconsin. They have a history of seizure disorder and have been seizure free since May 2016. They take anti-seizure medication with the dosage and frequency remaining the same since May 2016. Their physician states that they are supportive of Jeffrey Schultz receiving an exemption.

*Christopher Wetherell*

Christopher Wetherell is a 37-year-old class D license holder in Massachusetts. They have a history of idiopathic generalized epilepsy and have been seizure free since 2011. They take anti-seizure medication with the dosage and frequency remaining the same since October 30, 2022. Their physician states that they are supportive of Christopher Wetherell receiving an exemption.

## V. Request for Comments

In accordance with 49 U.S.C. 31136(e) and 31315(b), FMCSA requests public comment from all interested persons on the exemption petitions described in this notice. We will consider all comments received before the close of business on the closing date indicated under the **DATES** section of the notice.

**Larry W. Minor,**

*Associate Administrator for Policy.*

[FR Doc. 2025-05250 Filed 3-26-25; 8:45 am]

**BILLING CODE 4910-EX-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Motor Carrier Safety Administration

[Docket No. FMCSA-2013-0124; FMCSA-2014-0103; FMCSA-2017-0058; FMCSA-2022-0038; FMCSA-2022-0039]

### Qualification of Drivers; Exemption Applications; Hearing

**AGENCY:** Federal Motor Carrier Safety Administration (FMCSA), Department of Transportation (DOT).

**ACTION:** Notice of renewal of exemptions; request for comments.

**SUMMARY:** FMCSA announces its decision to renew exemptions for six individuals from the hearing requirement in the Federal Motor Carrier Safety Regulations (FMCSRs) for interstate commercial motor vehicle (CMV) drivers. The exemptions enable these hard of hearing and deaf individuals to continue to operate CMVs in interstate commerce.

**DATES:** The exemptions are applicable on February 28, 2025. The exemptions expire on February 28, 2027. Comments must be received on or before April 28, 2025.

**ADDRESSES:** You may submit comments identified by the Federal Docket Management System Docket No. FMCSA-2013-0124, Docket No. FMCSA-2014-0103, Docket No. FMCSA-2017-0058, Docket No. FMCSA-2022-0038, or Docket No. FMCSA-2022-0039 using any of the following methods:

- **Federal eRulemaking Portal:** Go to [www.regulations.gov/](http://www.regulations.gov/), insert the docket number (FMCSA-2013-0124, FMCSA-2014-0103, FMCSA-2017-0058, FMCSA-2022-0038, or FMCSA-2022-0039) in the keyword box and click "Search." Next, sort the results by "Posted (Newer-Older)," choose the first notice listed, and click on the "Comment" button. Follow the online instructions for submitting comments.

- **Mail:** Dockets Operations; U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building Ground Floor, Washington, DC 20590-0001.

- **Hand Delivery:** West Building Ground Floor, 1200 New Jersey Avenue SE, Washington, DC 20590-0001, between 9 a.m. and 5 p.m. ET Monday through Friday, except Federal holidays.

- **Fax:** (202) 493-2251.

To avoid duplication, please use only one of these four methods. See the "Public Participation" portion of the **SUPPLEMENTARY INFORMATION** section for instructions on submitting comments.

**FOR FURTHER INFORMATION CONTACT:** Ms. Christine A. Hydock, Chief, Medical Programs Division, FMCSA, DOT, 1200 New Jersey Avenue SE, Room W64-224, Washington, DC 20590-0001, (202) 366-4001, [fmcsamedical@dot.gov](mailto:fmcsamedical@dot.gov). Office hours are 8:30 a.m. to 5 p.m. ET Monday through Friday, except Federal holidays. If you have questions regarding viewing or submitting material to the docket, contact Dockets Operations, (202) 366-9826.

### SUPPLEMENTARY INFORMATION:

#### I. Public Participation

##### A. Submitting Comments

If you submit a comment, please include the docket number for this notice (Docket No. FMCSA-2013-0124, Docket No. FMCSA-2014-0103, Docket No. FMCSA-2017-0058, Docket No. FMCSA-2022-0038, or Docket No. FMCSA-2022-0039), indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation. You may submit your comments and material online or by fax, mail, or hand delivery, but please use only one of these means. FMCSA recommends that you include your name and a mailing address, an email address, or a phone number in the body of your document so that FMCSA can contact you if there are questions regarding your submission.

To submit your comment online, go to [www.regulations.gov/](http://www.regulations.gov/), insert the docket number (FMCSA-2013-0124, FMCSA-2014-0103, FMCSA-2017-0058, FMCSA-2022-0038, or FMCSA-2022-0039) in the keyword box and click "Search." Next, sort the results by "Posted (Newer-Older)," choose the first notice listed, click the "Comment" button, and type your comment into the text box on the following screen. Choose whether you are submitting your comment as an individual or on behalf of a third party and then submit.

If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. FMCSA will consider all comments and material received during the comment period.

##### B. Confidential Business Information (CBI)

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to the notice contain commercial or financial information

that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to the notice, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission that constitutes CBI as "PROPIN" to indicate it contains proprietary information. FMCSA will treat such marked submissions as confidential under the Freedom of Information Act, and they will not be placed in the public docket of the notice. Submissions containing CBI should be sent to Brian Dahlin, Chief, Regulatory Evaluation Division, Office of Policy, FMCSA, 1200 New Jersey Avenue SE, Washington, DC 20590-0001 or via email at [brian.g.dahlin@dot.gov](mailto:brian.g.dahlin@dot.gov). At this time, you need not send a duplicate marked copy of your electronic CBI submissions to FMCSA headquarters. Any comments FMCSA receives not specifically designated as CBI will be placed in the public docket for this notice.

### C. Viewing Comments

To view comments go to [www.regulations.gov](http://www.regulations.gov). Insert the docket number (FMCSA-2013-0124, FMCSA-2014-0103, FMCSA-2017-0058, FMCSA-2022-0038, or FMCSA-2022-0039) in the keyword box and click "Search." Next, sort the results by "Posted (Newer-Older)," choose the first notice listed, and click "Browse Comments." If you do not have access to the internet, you may view the docket online by visiting Dockets Operations on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590-0001, between 9 a.m. and 5 p.m. ET Monday through Friday, except Federal holidays. To be sure someone is there to help you, please call (202) 366-9317 or (202) 366-9826 before visiting Dockets Operations.

### D. Privacy Act

In accordance with 49 U.S.C. 31315(b)(6), DOT solicits comments from the public on the exemption requests. DOT posts these comments, without edit, including any personal information the commenter provides, to [www.regulations.gov](http://www.regulations.gov). As described in the system of records notice DOT/ALL 14 (Federal Docket Management System), which can be reviewed at <https://www.transportation.gov/individuals/privacy/privacy-act-system-records-notices>, the comments are searchable by the name of the submitter.

## II. Legal Basis

FMCSA has authority under 49 U.S.C. 31136(e) and 31315(b) to grant exemptions from Federal Motor Carrier

Safety Regulations (FMCSRs). FMCSA must publish a notice of each exemption request in the **Federal Register** (49 CFR 381.315(a)). The Agency must provide the public an opportunity to inspect the information relevant to the application, including the applicant's safety analysis. The Agency must provide an opportunity for public comment on the request.

The Agency reviews safety analyses and public comments submitted and determines whether granting the exemption would likely achieve a level of safety equivalent to, or greater than, the level that would be achieved absent such exemption, pursuant to 49 U.S.C. 31315(b)(1). The Agency must publish its decision in the **Federal Register** (49 CFR 381.315(b)). If granted, the notice will identify the regulatory provision from which the applicant will be exempt the effective period, and all terms and conditions of the exemption (49 CFR 381.315(c)(1)). If the exemption is denied, the notice will explain the reason for the denial (49 CFR 381.315(c)(2)). The exemption may be renewed (49 CFR 381.300(b)). FMCSA grants medical exemptions from the FMCSRs for a 2-year period to align with the maximum duration of a driver's medical certification.

## III. Background

The physical qualification standard for drivers regarding hearing in 49 CFR 391.41(b)(11) states that a person is physically qualified to drive a CMV if that person first perceives a forced whispered voice in the better ear at not less than 5 feet with or without the use of a hearing aid or, if tested by use of an audiometric device, does not have an average hearing loss in the better ear greater than 40 decibels at 500 Hz, 1,000 Hz, and 2,000 Hz with or without a hearing aid when the audiometric device is calibrated to American National Standard (formerly ASA Standard) Z24.5-1951.

This standard was adopted in 1970 and was revised in 1971 to allow drivers to be qualified under this standard while wearing a hearing aid, (35 FR 6458, 6463 (Apr. 22, 1970) and 36 FR 12857 (July 8, 1971), respectively).

The six individuals listed in this notice have requested renewal of their exemptions from the hearing standard in § 391.41(b)(11), in accordance with FMCSA procedures. Accordingly, FMCSA has evaluated these applications for renewal on their merits and decided to extend each exemption for a renewable 2-year period.

## IV. Request for Comments

Interested parties or organizations possessing information that would otherwise show that any, or all, of these drivers are not currently achieving the statutory level of safety should immediately notify FMCSA. The Agency will evaluate any adverse evidence submitted and, if safety is being compromised or if continuation of the exemption would not be consistent with the goals and objectives of 49 U.S.C. 31136(e) and 31315(b), FMCSA will take immediate steps to revoke the exemption of a driver.

## V. Basis for Renewing Exemptions

In accordance with 49 U.S.C. 31136(e) and 31315(b), each of the six applicants has satisfied the renewal conditions for obtaining an exemption from the hearing requirement. The six drivers in this notice remain in good standing with the Agency. In addition, the Agency has reviewed each applicant's certified driving record from their State Driver's Licensing Agency (SDLA). The information obtained from each applicant's driving record provides the Agency with details regarding any moving violations or reported crash data, which demonstrates whether the driver has a safe driving history and is an indicator of future driving performance. If the driving record revealed a crash, FMCSA requested and reviewed the related police reports and other relevant documents, such as the citation and conviction information. These factors provide an adequate basis for predicting each driver's ability to continue to safely operate a CMV in interstate commerce. Therefore, FMCSA concludes that extending the exemption for each of these drivers for a period of 2 years is likely to achieve a level of safety equivalent to that existing without the exemption.

As of February 28, 2025, and in accordance with 49 U.S.C. 31136(e) and 31315(b), the following six individuals have satisfied the renewal conditions for obtaining an exemption from the hearing requirement in the FMCSRs for interstate CMV drivers:

Elder Berroa (PA)  
Chad D'Amore (PA)  
Sean Dearsman (OH)  
Joshua Drane (TX)  
Ervin Mitchell (TX)  
Quinton Murphy (WI)

The drivers were included in docket number FMCSA-2013-0124, FMCSA-2014-0103, FMCSA-2017-0058, FMCSA-2022-0038, or FMCSA-2022-0039. Their exemptions are applicable as of February 28, 2025, and will expire on February 28, 2027.

## VI. Terms and Conditions

The exemptions are extended subject to the following conditions: each driver (1) must report to FMCSA any crashes as defined in § 390.5T, within 7 days of the crash; (2) must report to FMCSA any citations and convictions for disqualifying offenses under 49 CFR parts 383 and 391, within 7 days of the citation and conviction; (3) must submit to FMCSA annual certified driving records from their SDLA; and (4) is prohibited from operating a motorcoach or bus with passengers in interstate commerce. The driver must also have a copy of the exemption when driving, for presentation to a duly authorized Federal, State, or local enforcement official. In addition, the driver must meet all the applicable commercial driver's license testing requirements. Each exemption will be valid for 2 years unless rescinded earlier by FMCSA. The exemption will be rescinded if: (1) the person fails to comply with the terms and conditions of the exemption; (2) the exemption has resulted in a lower level of safety than was maintained before it was granted; or (3) continuation of the exemption would not be consistent with the goals and objectives of 49 U.S.C. 31136(e) and 31315(b).

## VII. Preemption

During the period the exemption is in effect, no State shall enforce any law or regulation that conflicts with this exemption with respect to a person operating under the exemption.

## VIII. Conclusion

Based upon its evaluation of the six exemption applications, FMCSA renews the exemptions of the above-named drivers from the hearing requirement in § 391.41(b)(11). In accordance with 49 U.S.C. 31136(e) and 31315(b), each exemption will be valid for 2 years unless revoked earlier by FMCSA.

Larry W. Minor,

Associate Administrator for Policy.

[FR Doc. 2025-05253 Filed 3-26-25; 8:45 am]

BILLING CODE 4910-EX-P

## DEPARTMENT OF TRANSPORTATION

### Federal Motor Carrier Safety Administration

[Docket No. FMCSA-2024-0277]

### Qualification of Drivers; Exemption Applications; Hearing

**AGENCY:** Federal Motor Carrier Safety Administration (FMCSA), Department of Transportation (DOT).

**ACTION:** Notice of final disposition.

**SUMMARY:** FMCSA announces its decision to exempt 10 individuals from the hearing requirement in the Federal Motor Carrier Safety Regulations (FMCSRs) to operate a commercial motor vehicle (CMV) in interstate commerce. The exemptions enable these hard of hearing and deaf individuals to operate CMVs in interstate commerce.

**DATES:** The exemptions are applicable on February 1, 2025. The exemptions expire on February 1, 2027.

**FOR FURTHER INFORMATION CONTACT:** Ms. Christine A. Hydock, Chief, Medical Programs Division, FMCSA, DOT, 1200 New Jersey Avenue SE, Washington, DC 20590-0001, (202) 366-4001, [fmcamedical@dot.gov](mailto:fmcamedical@dot.gov). Office hours are from 8:30 a.m. to 5 p.m. ET Monday through Friday, except Federal holidays. If you have questions regarding viewing or submitting material to the docket, contact Dockets Operations, (202) 366-9826.

### SUPPLEMENTARY INFORMATION:

#### I. Public Participation

##### A. Viewing Comments

To view comments, go to [www.regulations.gov](http://www.regulations.gov). Insert the docket number (FMCSA-2024-0277) in the keyword box and click "Search." Next, sort the results by "Posted (Older-Newer)," choose the first notice listed, and click "Browse Comments." If you do not have access to the internet, you may view the docket online by visiting Dockets Operations in on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590-0001, between 9 a.m. and 5 p.m. ET Monday through Friday, except Federal holidays. To be sure someone is there to help you, please call (202) 366-9317 or (202) 366-9826 before visiting Dockets Operations.

##### B. Privacy Act

In accordance with 49 U.S.C. 31315(b)(6), DOT solicits comments from the public on the exemption requests. DOT posts these comments, without edit, including any personal information the commenter provides, to [www.regulations.gov](http://www.regulations.gov). As described in the system of records notice DOT/ALL 14 (Federal Docket Management System), which can be reviewed at <https://www.transportation.gov/individuals/privacy/privacy-act-system-records-notices>, the comments are searchable by the name of the submitter.

#### II. Legal Basis

FMCSA has authority under 49 U.S.C. 31136(e) and 31315(b) to grant exemptions from Federal Motor Carrier Safety Regulations (FMCSRs). FMCSA

must publish a notice of each exemption request in the **Federal Register** (49 CFR 381.315(a)). The Agency must provide the public an opportunity to inspect the information relevant to the application, including the applicant's safety analysis. The Agency must provide an opportunity for public comment on the request.

The Agency reviews safety analyses and public comments submitted and determines whether granting the exemption would likely achieve a level of safety equivalent to, or greater than, the level that would be achieved absent such exemption, pursuant to 49 U.S.C. 31315(b)(1). The Agency must publish its decision in the **Federal Register** (49 CFR 381.315(b)). If granted, the notice will identify the regulatory provision from which the applicant will be exempt the effective period, and all terms and conditions of the exemption (49 CFR 381.315(c)(1)). If the exemption is denied, the notice will explain the reason for the denial (49 CFR 381.315(c)(2)). The exemption may be renewed (49 CFR 381.300(b)). FMCSA grants medical exemptions from the FMCSRs for a 2-year period to align with the maximum duration of a driver's medical certification.

#### III. Background

On December 27, 2024, FMCSA published a notice announcing receipt of applications from 10 individuals requesting an exemption from the hearing requirement in 49 CFR 391.41(b)(11) to operate a CMV in interstate commerce and requested comments from the public (89 FR 105682). The public comment period ended on January 27, 2025, and no comments were received.

FMCSA has evaluated the eligibility of these applicants and determined that granting exemptions to these individuals would likely achieve a level of safety that is equivalent to, or greater than, the level that would be achieved by complying with § 391.41(b)(11).

The physical qualification standard for drivers regarding hearing found in § 391.41(b)(11) states that a person is physically qualified to drive a CMV if that person first perceives a forced whispered voice in the better ear at not less than 5 feet with or without the use of a hearing aid or, if tested by use of an audiometric device, does not have an average hearing loss in the better ear greater than 40 decibels at 500 Hz, 1,000 Hz, and 2,000 Hz with or without a hearing aid when the audiometric device is calibrated to American National Standard (formerly ASA Standard) Z24.5-1951.

This standard was adopted in 1970 and was revised in 1971 to allow drivers to be qualified under this standard while wearing a hearing aid (35 FR 6458, 6463 (Apr. 22, 1970) and 36 FR 12857 (July 8, 1971), respectively).

#### IV. Discussion of Comments

FMCSA received no comments in this proceeding.

#### V. Basis for Exemption Determination

The Agency's decision regarding these exemption applications is based on relevant scientific information and literature, and the 2008 Evidence Report, "Executive Summary on Hearing, Vestibular Function and Commercial Motor Driving Safety."<sup>1</sup> The evidence report reached two conclusions regarding the matter of hearing loss and CMV driver safety: (1) no studies that examined the relationship between hearing loss and crash risk exclusively among CMV drivers were identified; and (2) evidence from studies of the private driver's license holder population does not support the contention that individuals with hearing impairment are at an increased risk for a crash. In addition, the Agency reviewed each applicant's certified driving record from their State Driver's Licensing Agency (SDLA). The information obtained from each applicant's driving record provides the Agency with details regarding any moving violations or reported crash data, which demonstrates whether the driver has a safe driving history and is used as an indicator of future driving performance. If the driving record revealed a crash, FMCSA requested and reviewed the related police reports and other relevant documents, such as the citation and conviction information. Each applicant's record demonstrated a safe driving history. Based on an individual assessment of each applicant that focused on whether an equivalent or greater level of safety would likely be achieved by permitting each of these drivers to drive in interstate commerce, the Agency did not find any evidence that the drivers granted this exemption pose a risk to public safety.

Consequently, FMCSA finds further that in each case exempting these applicants from the hearing standard in § 391.41(b)(11) would likely achieve a level of safety equal to that existing without the exemption, consistent with the applicable standard in 49 U.S.C. 31315(b)(1).

#### VI. Terms and Conditions

The terms and conditions of the exemption are provided to the applicants in the exemption document and include the following: each driver (1) must report to FMCSA the date, location, and time of any crashes as defined in § 390.5T, within 7 days of the crash; (2) must report to FMCSA any citations and convictions for disqualifying offenses under 49 CFR parts 383 and 391 within 7 days of the citations and convictions; (3) must submit to FMCSA annual certified driving records from their SDLA; and (4) is prohibited from operating a motorcoach or bus with passengers in interstate commerce. The driver must also have a copy of the exemption when driving, for presentation to a duly authorized Federal, State, or local enforcement official. In addition, the driver must meet all applicable commercial driver's license testing requirements.

#### VII. Preemption

During the period the exemption is in effect, no State shall enforce any law or regulation that conflicts with this exemption with respect to a person operating under the exemption.

#### VIII. Conclusion

Based upon its evaluation of the 10 exemption applications, FMCSA exempts the following drivers from the hearing standard; in § 391.41(b)(11), subject to the requirements cited above:

James Armstrong (TN)  
Bethany Barrett (WI)  
Kevin Lopez Morales (ND)  
Socorro Melendez (TX)  
Robert Piacente (LA)  
Dalton Rosch (IA)  
Ferfran Sanchez Molina (NJ)  
Jonathan Santiago (FL)  
John Shepard (CT)  
Andrew Weaver (VA)

In accordance with 49 U.S.C. 31315(b), each exemption will be valid for 2 years from the effective date unless revoked earlier by FMCSA. The exemption will be revoked if the following occurs: (1) the person fails to comply with the terms and conditions of the exemption; (2) the exemption has resulted in a lower level of safety than was maintained prior to being granted; or (3) continuation of the exemption would not be consistent with the goals and objectives of 49 U.S.C. 31136, 49 U.S.C. chapter 313, or the FMCSRs.

**Larry W. Minor,**

*Associate Administrator for Policy.*

[FR Doc. 2025-05257 Filed 3-26-25; 8:45 am]

**BILLING CODE 4910-EX-P**

#### DEPARTMENT OF TRANSPORTATION

##### Federal Motor Carrier Safety Administration

[Docket No. FMCSA–2012–0154; FMCSA–2013–0121; FMCSA–2013–0124; FMCSA–2014–0384; FMCSA–2014–0386; FMCSA–2015–0328; FMCSA–2016–0002; FMCSA–2017–0057; FMCSA–2018–0135; FMCSA–2018–0137; FMCSA–2020–0028; FMCSA–2022–0034; FMCSA–2022–0035; FMCSA–2022–0036; FMCSA–2022–0037; FMCSA–2022–0038]

##### Qualification of Drivers; Exemption Applications; Hearing

**AGENCY:** Federal Motor Carrier Safety Administration (FMCSA), Department of Transportation (DOT).

**ACTION:** Notice of final disposition.

**SUMMARY:** FMCSA announces its decision to renew exemptions for 25 individuals from the hearing requirement in the Federal Motor Carrier Safety Regulations (FMCSRs) for interstate commercial motor vehicle (CMV) drivers. The exemptions enable these hard of hearing and deaf individuals to continue to operate CMVs in interstate commerce.

**DATES:** Each group of renewed exemptions were applicable on the dates stated in the discussions below and will expire on the dates provided below.

**FOR FURTHER INFORMATION CONTACT:** Ms. Christine A. Hydock, Chief, Medical Programs Division, FMCSA, DOT, 1200 New Jersey Avenue SE, Room W64–224, Washington, DC 20590–0001, (202) 366–4001, [fmcsamedical@dot.gov](mailto:fmcsamedical@dot.gov). Office hours are 8:30 a.m. to 5 p.m. ET Monday through Friday, except Federal holidays. If you have questions regarding viewing or submitting material to the docket, contact Dockets Operations, (202) 366–9826.

##### SUPPLEMENTARY INFORMATION:

##### I. Public Participation

##### A. Viewing Comments

To view comments go to [www.regulations.gov](http://www.regulations.gov). Insert the docket number (FMCSA–2012–0154, FMCSA–2013–0121, FMCSA–2013–0124, FMCSA–2014–0384, FMCSA–2014–0386, FMCSA–2015–0328, FMCSA–2016–0002, FMCSA–2017–0057, FMCSA–2018–0135, FMCSA–2018–0137, FMCSA–2020–0028, FMCSA–2022–0034, FMCSA–2022–0035, FMCSA–2022–0036, FMCSA–2022–0037, or FMCSA–2022–0038) in the keyword box and click "Search." Next, sort the results by "Posted (Newer-Older)," choose the first notice listed,

<sup>1</sup> <https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/docs/Hearing-Evidence-Report-FinalExecutive-Summary-prot.pdf>.

and click “Browse Comments.” If you do not have access to the internet, you may view the docket online by visiting Dockets Operations on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, between 9 a.m. and 5 p.m. ET Monday through Friday, except Federal holidays. To be sure someone is there to help you, please call (202) 366–9317 or (202) 366–9826 before visiting Dockets Operations.

### B. Privacy Act

In accordance with 49 U.S.C. 31315(b)(6), DOT solicits comments from the public on the exemption requests. DOT posts these comments, without edit, including any personal information the commenter provides, to [www.regulations.gov](http://www.regulations.gov). As described in the system of records notice DOT/ALL 14 (Federal Docket Management System), which can be reviewed at <https://www.transportation.gov/individuals/privacy/privacy-act-system-records-notices>, the comments are searchable by the name of the submitter.

## II. Legal Basis

FMCSA has authority under 49 U.S.C. 31136(e) and 31315(b) to grant exemptions from Federal Motor Carrier Safety Regulations (FMCSRs). FMCSA must publish a notice of each exemption request in the **Federal Register** (49 CFR 381.315(a)). The Agency must provide the public an opportunity to inspect the information relevant to the application, including the applicant’s safety analysis. The Agency must provide an opportunity for public comment on the request.

The Agency reviews safety analyses and public comments submitted and determines whether granting the exemption would likely achieve a level of safety equivalent to, or greater than, the level that would be achieved absent such exemption, pursuant to 49 U.S.C. 31315(b)(1). The Agency must publish its decision in the **Federal Register** (49 CFR 381.315(b)). If granted, the notice will identify the regulatory provision from which the applicant will be exempt the effective period, and all terms and conditions of the exemption (49 CFR 381.315(c)(1)). If the exemption is denied, the notice will explain the reason for the denial (49 CFR 381.315(c)(2)). The exemption may be renewed (49 CFR 381.300(b)). FMCSA grants medical exemptions from the FMCSRs for a 2-year period to align with the maximum duration of a driver’s medical certification.

## III. Background

On January 6, 2025, FMCSA published a notice announcing its decision to renew exemptions for 25 individuals from the hearing standard in 49 CFR 391.41(b)(11) to operate a CMV in interstate commerce and requested comments from the public (90 FR 722). The public comment period ended on February 5, 2025, and no comments were received.

FMCSA has evaluated the eligibility of these applicants and determined that renewing these exemptions would likely achieve a level of safety that is equivalent to, or greater than, the level that would be achieved by complying with § 391.41(b)(11).

The physical qualification standard for drivers regarding hearing found in § 391.41(b)(11) states that a person is physically qualified to drive a CMV if that person first perceives a forced whispered voice in the better ear at not less than 5 feet with or without the use of a hearing aid or, if tested by use of an audiometric device, does not have an average hearing loss in the better ear greater than 40 decibels at 500 Hz, 1,000 Hz, and 2,000 Hz with or without a hearing aid when the audiometric device is calibrated to American National Standard (formerly ASA Standard) Z24.5–1951.

This standard was adopted in 1970 and was revised in 1971 to allow drivers to be qualified under this standard while wearing a hearing aid (35 FR 6458, 6463 (Apr. 22, 1970) and 36 FR 12857 (July 8, 1971), respectively).

## IV. Discussion of Comments

FMCSA received no comments in this proceeding.

## V. Conclusion

Based upon its evaluation of the 25 renewal exemption applications and comments received, FMCSA announces its decision to exempt the following drivers from the hearing requirement in § 391.41 (b)(11).

As of January 15, 2025, and in accordance with 49 U.S.C. 31136(e) and 31315(b), the following 16 individuals have satisfied the renewal conditions for obtaining an exemption from the hearing requirement in the FMCSRs for interstate CMV drivers (90 FR 722):

Michael Arwood (TN)  
David Chapplear (TX)  
Jan Epitacio (CA)  
Jerry Jones (TX)  
Justin Kilgore (FL)  
Robert Knapp (MD)  
James Laughrey (KS)  
Kathy Miller (IA)  
Mayur Motiwale (ME)

Sarah Nickell (IN)  
Lesley O’Rorke (IL)  
Gerson Ramirez (MT)  
Fernando Ramirez-Savon (FL)  
Willine Smith (MD)  
Dalton Taylor (OK)  
Kevin Young (AL)

The drivers were included in docket number FMCSA–2012–0154, FMCSA–2013–0121, FMCSA–2013–0124, FMCSA–2017–0057, FMCSA–2018–0137, FMCSA–2024–0034, FMCSA–2022–0035, FMCSA–2022–0036, or FMCSA–2022–0037. Their exemptions were applicable as of January 15, 2025, and will expire on January 15, 2027.

As of January 22, 2025, and in accordance with 49 U.S.C. 31136(e) and 31315(b), the following six individuals have satisfied the renewal conditions for obtaining an exemption from the hearing requirement in the FMCSRs for interstate CMV drivers (90 FR 722):

Hassan Abdi (MN)  
Jeffrey Daniel (NV)  
Jaymes Haar (IA)  
Andrew Hatch (IA)  
Marckenzie Loriston (FL)  
Carlos Sotelo Sanchez (CA)

The drivers were included in docket number FMCSA–2015–0328 or FMCSA–2020–0028. Their exemptions are applicable as of January 22, 2025, and will expire on January 22, 2027.

As of January 30, 2025, and in accordance with 49 U.S.C. 31136(e) and 31315(b), the following three individuals have satisfied the renewal conditions for obtaining an exemption from the hearing requirement in the FMCSRs for interstate CMV drivers:

Allen Carrasco (CA); Matthew Kaschalk (TN); and Erica Muhm (KY).

The drivers were included in docket number FMCSA–2022–0038. Their exemptions are applicable as of January 30, 2025, and will expire on January 30, 2027.

In accordance with 49 U.S.C. 31315(b), each exemption will be valid for 2 years from the effective date unless revoked earlier by FMCSA. The exemption will be revoked if the following occurs: (1) the person fails to comply with the terms and conditions of the exemption; (2) the exemption has resulted in a lower level of safety than was maintained prior to being granted; or (3) continuation of the exemption would not be consistent with the goals and objectives of 49 U.S.C. 31136, 49 U.S.C. chapter 313, or the FMCSRs.

**Larry W. Minor,**

*Associate Administrator for Policy.*

[FR Doc. 2025–05254 Filed 3–26–25; 8:45 am]

**BILLING CODE 4910–EX–P**

**DEPARTMENT OF THE TREASURY****Internal Revenue Service****Proposed Extension of Information Collection Request Submitted for Public Comment; Comment Request on Burden Related to Form 1099-PATR**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Notice and request for comments.

**SUMMARY:** The Internal Revenue Service, as part of its continuing effort to reduce paperwork and respondent burden, invites the public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995. Currently, the IRS is soliciting comments concerning the burden related to Form 1099-PATR, "Taxable Distributions Received from Cooperatives".

**DATES:** Written comments should be received on or before May 27, 2025 to be assured of consideration.

**ADDRESSES:** Written comments and recommendations for the proposed information collection should be sent within 60 days of publication of this notice to [pra.comments@irs.gov](mailto:pra.comments@irs.gov). Please include, "OMB Number: 1545-0118—Public Comment Request Notice" in the Subject line. Requests for additional information or copies of this collection can be directed to Ronald J. Durbala, at [RJoseph.Durbala@irs.gov](mailto:RJoseph.Durbala@irs.gov).

**SUPPLEMENTARY INFORMATION:**

*Title:* Taxable Distributions Received from Cooperatives.

*OMB Number:* 1545-0118.

*Project Number:* Form 1099-PATR.

*Abstract:* Form 1099-PATR is used to report patronage dividends paid by cooperatives in accordance with Internal Revenue Code section 6044. The information is used by IRS to verify reporting compliance on the part of the recipient.

*Current Actions:* There are updates in the projections of reporting Form 1099-PATR.

*Type of Review:* Revision of a currently approved collection.

*Affected Public:* Businesses and other for-profit organizations.

*Estimated Number of Respondents:* 1,615,000.

*Estimated Time per Respondent:* 20 min.

*Estimated Total Annual Burden Hours:* 549,100.

The following paragraph applies to all the collections of information covered by this notice:

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number.

Books or records relating to a collection of information must be retained if their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

*Desired Focus of Comments:* The Internal Revenue Service (IRS) is particularly interested in comments that:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility.
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used.
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including using appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., by permitting electronic submissions of responses.

Comments submitted in response to this notice will be summarized and/or included in the ICR for OMB approval of the extension of the information collection; they will also become a matter of public record.

Approved: March 24, 2025.

**Ronald J. Durbala,**

*IRS Tax Analyst.*

[FR Doc. 2025-05247 Filed 3-26-25; 8:45 am]

**BILLING CODE 4830-01-P**

**DEPARTMENT OF THE TREASURY****Internal Revenue Service****Proposed Collection; Comment Request for Regulation Project**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Notice and request for comments.

**SUMMARY:** The Internal Revenue Service, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other

Federal agencies to take this opportunity to comment on continuing information collections, as required by the Paperwork Reduction Act of 1995. The IRS is soliciting comments concerning reporting requirements for widely held fixed investment trusts.

**DATES:** Written comments should be received on or before May 27, 2025 to be assured of consideration.

**ADDRESSES:** Direct all written comments to Andres Garcia, Internal Revenue Service, Room 6526, 1111 Constitution Avenue NW, Washington, DC 20224, or by email to [pra.comments@irs.gov](mailto:pra.comments@irs.gov). Include OMB control number 1545-1540 or Reporting Requirements for Widely Held Fixed Investment Trusts, in the subject line of the message.

**FOR FURTHER INFORMATION CONTACT:**

Requests for additional information or copies of the regulation should be directed to Kerry Dennis at (202) 317-5751, or at Internal Revenue Service, Room 6526, 1111 Constitution Avenue NW, Washington, DC 20224, or through the internet, at [Kerry.L.Dennis@irs.gov](mailto:Kerry.L.Dennis@irs.gov).

**SUPPLEMENTARY INFORMATION:**

*Title:* Reporting Requirements for Widely Held Fixed Investment Trusts.

*OMB Number:* 1545-1540.

*Regulation Project Number:* TD 9308.

*Abstract:* Under regulation section 1.671-5, the trustee or the middleman who holds an interest in a widely held fixed investment trust for an investor will be required to provide a Form 1099 to the IRS and a tax information statement to the investor. The trust is also required to provide more detailed tax information to middlemen and certain other persons, upon request.

*Current Actions:* There are no changes to the paperwork burden previously approved by OMB.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses and other for-profit organizations.

*Estimated Number of Respondents:* 1,200.

*Estimated Time per Respondent:* 2 hours.

*Estimated Total Annual Burden Hours:* 2,400.

The following paragraph applies to all the collections of information covered by this notice.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Books or records relating to a collection of information must be retained if their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax

return information are confidential, as required by 26 U.S.C. 6103.

*Request for Comments:* Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) whether the collection of information is necessary for the proper performance of the functions of the agency, including

whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or

other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Approved: March 21, 2025.

**Kerry L. Dennis**

*Tax Analyst.*

[FR Doc. 2025-05248 Filed 3-26-25; 8:45 am]

**BILLING CODE 4830-01-P**

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