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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.

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 100

[Docket Number USCG–2025–0434]

RIN 1625–AA08

Special Local Regulation; San Pedro Bay, San Pedro, CA

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing a temporary special local regulation for navigable waters within the vicinity of a large-scale regatta. The special local regulation is needed to protect personnel, vessels, and the marine environment from potential hazards created by the large-scale regatta. Entry of vessels or persons into this zone is prohibited unless specifically authorized by the Captain of the Port Los Angeles-Long Beach.

DATES: This rule is effective from 11 a.m. on July 19, 2025 through 5 p.m. on August 4, 2025. This rule will be subject to enforcement from July 19, 2025 through July 26, 2025, and July 28, 2025 through August 4, 2025, from 11 a.m. to 5 p.m. each day.

ADDRESSES: To view documents mentioned in this preamble as being available in the docket, go to <https://www.regulations.gov>, type USCG–2025–0434 in the search box and click “Search.” Next, in the Document Type column, select “Supporting & Related Material.”

FOR FURTHER INFORMATION CONTACT: If you have questions about this rule, call or email Lieutenant Commander Kevin Kinsella, Waterways Management Division, U.S. Coast Guard; telephone 310–521–3860, email D11-SMB-SectorLALB-WWM@uscg.mil.

SUPPLEMENTARY INFORMATION:

I. Table of Abbreviations

CFR Code of Federal Regulations
DHS Department of Homeland Security
FR Federal Register
NPRM Notice of proposed rulemaking
§ Section
U.S.C. United States Code

II. Background Information and Regulatory History

The Coast Guard is issuing this temporary rule under the authority in 5 U.S.C. 553(b)(B). This statutory provision authorizes an agency to issue a rule without prior notice and opportunity to comment when the agency for good cause finds that those procedures are “impracticable, unnecessary, or contrary to the public interest.” The Coast Guard finds that good cause exists for not publishing a notice of proposed rulemaking (NPRM) with respect to this rule because it is impracticable. We must establish this special local regulation by July 19, 2025 and lack sufficient time to provide a reasonable comment period and then consider those comments before issuing the rule.

Also, under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making this rule effective less than 30 days after publication in the **Federal Register**. Delaying the effective date of this rule is contrary to the public interest because prompt action is needed to prevent potential safety hazards associated with a regatta of this scale.

III. Legal Authority and Need for Rule

The Coast Guard is issuing this rule under authority in 46 U.S.C. 70041. The Captain of the Port Los Angeles-Long Beach (COTP) has determined that potential hazards associated with a large-scale regatta taking place in July and August 2025 will be a safety concern for participants and mariners in the vicinity of the event. This rule is needed to protect personnel, vessels, and the marine environment in the navigable waters within the special local regulation while the regatta takes place.

IV. Discussion of the Rule

This rule establishes a special local regulation that will be subject to enforcement from July 19, 2025 through July 26, 2025, and July 28, 2025 through August 4, 2025, from 11 a.m. to 5 p.m. each day. The special local regulation

will cover all navigable waters within the regatta racecourse. The duration of the regulation is intended to protect personnel, vessels, and the marine environment in these navigable waters while the regatta takes place. No vessel or person will be permitted to enter the special local regulation area without obtaining permission from the COTP or a designated representative.

V. Regulatory Analyses

We developed this rule after considering numerous statutes and Executive orders related to rulemaking. Below we summarize our analyses based on a number of these statutes and Executive orders.

A. Regulatory Planning and Review

Executive Orders 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. This rule has not been designated a “significant regulatory action,” under section 3(f) of Executive Order 12866. Accordingly, this rule has not been reviewed by the Office of Management and Budget (OMB).

This regulatory action determination is based on the size, location, duration, and time-of-day of the safety zone. Vessel traffic will be able to safely transit around this special local regulation which will impact a small, designated area of the San Pedro Bay in a location where vessel traffic is normally low. Moreover, the Coast Guard will issue a Broadcast Notice to Mariners via VHF-FM marine channel 16 about the zone.

B. Impact on Small Entities

The Regulatory Flexibility Act of 1980, 5 U.S.C. 601–612, as amended, requires Federal agencies to consider the potential impact of regulations on small entities during rulemaking. The term “small entities” comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. The Coast Guard certifies under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities.

While some owners or operators of vessels intending to transit the safety

zone may be small entities, for the reasons stated in section V.A above, this rule will not have a significant economic impact on any vessel owner or operator.

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121), we want to assist small entities in understanding this rule. If the rule will affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please call or email the person listed in the **FOR FURTHER INFORMATION CONTACT** section.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency's responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1–888–REG–FAIR (1–888–734–3247). The Coast Guard will not retaliate against small entities that question or complain about this rule or any policy or action of the Coast Guard.

C. Collection of Information

This rule will not call for a new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

D. Federalism and Indian Tribal Governments

A rule has implications for federalism under Executive Order 13132, Federalism, if it has 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. We have analyzed this rule under that Order and have determined that it is consistent with the fundamental federalism principles and preemption requirements described in Executive Order 13132.

Also, this rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does 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.

E. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of \$100,000,000 (adjusted for inflation) or more in any one year. Though this rule will not result in such an expenditure, we do discuss the effects of this rule elsewhere in this preamble.

F. Environment

We have analyzed this rule under Department of Homeland Security Directive 023–01, Rev. 1, associated implementing instructions, and Environmental Planning COMDTINST 5090.1 (series), which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4370f), and have determined that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This rule involves a special local regulation lasting only six hours each day that will prohibit entry within the vicinity of the regatta. It is categorically excluded from further review under paragraph L61 of Appendix A, Table 1 of DHS Instruction Manual 023–01–001–01, Rev. 1.

List of Subjects in 33 CFR Part 100

Marine safety, Navigation (water), Reporting and recordkeeping requirements, Waterways.

For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 100 as follows:

PART 100—SAFETY OF LIFE ON NAVIGABLE WATERS

■ 1. The authority citation for part 100 continues to read as follows:

Authority: 46 U.S.C. 70041; 33 CFR 1.05–1.

■ 2. Add § 100.T1199–0133 to read as follows:

§ 100.T1199 –0133 Special Local Regulation; San Pedro Bay, San Pedro, CA.

(a) *Regulated area.* The regulations in this section apply to the following area: All waters of San Pedro Bay, from surface to bottom, encompassed by a line connecting the following points beginning at 33°42.0' N, 118°15.1' W; thence to 33°41.0' N, 118°15.1' W; thence to 33°41.0' N, 118°17.0' W; thence to 33°42.0' N, 118°17.0'; and along the shore line back to the

beginning point. These coordinates are based on North American Datum 83 (NAD 83).

(b) *Definitions.* As used in this section—

Designated representative means a Coast Guard Patrol Commander, including a Coast Guard coxswain, petty officer, or other officer operating a Coast Guard vessel and a Federal, State, and local officer designated by or assisting the Captain of the Port Los Angeles-Long Beach (COTP) in the enforcement of the regulations in this section.

Participant means all persons and vessels registered with the event sponsor as a participant in the race.

(c) *Regulations.* (1) All non-participants are prohibited from entering, transiting through, anchoring in, or remaining within the regulated area described in paragraph (a) of this section unless authorized by the Captain of the Port Los Angeles-Long Beach or their designated representative.

(2) To seek permission to enter, contact the COTP or the COTP's representative by VHF–FM Channel 13 (156.65 MHz) or 16 (156.8MHz). Those in the special local regulation must comply with all lawful orders or directions given to them by the COTP or the COTP's designated representative.

(3) The COTP will provide notice of the regulated area through advanced notice via broadcast notice to mariners and by on-scene designated representatives.

(d) *Enforcement period.* This section will be subject to enforcement from July 19, 2025 through July 26, 2025, and July 28, 2025 through August 4, 2025, from 11 a.m. to 5 p.m. each day.

Dated: July 2, 2025.

Stacey L. Crecy,

Captain, U.S. Coast Guard, Captain of the Port, Los Angeles-Long Beach.

[FR Doc. 2025–12680 Filed 7–7–25; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket No. USCG–2025–0573]

Safety Zones; Annual Events in the Captain of the Port Eastern Great Lakes Zone

AGENCY: Coast Guard, DHS.

ACTION: Notification of enforcement of regulation.

SUMMARY: The Coast Guard will enforce multiple safety zones for recurring

marine events taking place in the Captain of the Port Eastern Great Lakes zone. This action is necessary and intended for the safety of life and property on navigable waters during these events. During the enforcement periods, no person or vessel may enter the respective safety zone without the permission of the Captain of the Port Eastern Great Lakes or a designated representative.

DATES: The regulations in 33 CFR 100.939 will be enforced for the safety zones identified in the **SUPPLEMENTARY INFORMATION** section below for the dates and times specified.

FOR FURTHER INFORMATION CONTACT: If you have questions about this notice of enforcement, call or email Marine Safety Unit Thousand Islands' Waterways Management Division; telephone 315-774-8546, email *SMB-MSUThousandIslands-WaterwaysManagement@uscg.mil*.

SUPPLEMENTARY INFORMATION: The Coast Guard will enforce the safety zones listed in 33 CFR 165.939, Table 1, at the following dates and times for the following events:

Clayton Chamber of Commerce Fireworks: The safety zone listed in Table 1 to § 165.939, item (g)14 will be enforced from 7 p.m. through 10 p.m. on July 3, 2025.

Lyme Community Days: The safety zone listed in Table 1 to § 165.939, item (g)16, will be enforced from 5:30 p.m. through 10 p.m. on July 26, 2025.

Oswego Harborfest: The safety zone listed in Table 1 to § 165.939, item (g)27, will be enforced from 11:30 a.m. through 6:30 p.m. on July 25, 2025.

In addition to this notification of enforcement in the **Federal Register**, the Coast Guard plans to provide notification of this enforcement period via the Local Notice to Mariners and Broadcast Notice to Mariners. This notification is being issued by the Coast Guard Sector Eastern Great Lakes Prevention Department Head at the direction of the Captain of the Port.

Dated: July 2, 2025.

A.J. Murphy,

Commander, U.S. Coast Guard, Sector Eastern Great Lakes Prevention Department Head.

[FR Doc. 2025-12657 Filed 7-7-25; 8:45 am]

BILLING CODE 9110-04-P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket No. USCG-2025-0517]

Safety Zones; Fireworks Displays in the Fifth Coast Guard District, Brick Township, NJ

AGENCY: Coast Guard, DHS.

ACTION: Notification of enforcement of regulation.

SUMMARY: The Coast Guard will enforce a safety zone for the Township of Brick Summer Fest fireworks displays on four dates in July. This action is being taken to provide for the safety of life on navigable water during each of the three separate land-based fireworks displays. Our regulation for marine events within the Fifth Coast Guard District identifies the regulated area for this event, located in in Brick, NJ. During the enforcement periods, the operator of any vessel in the regulated area must comply with directions from the Patrol Commander or any Officer Patrol displaying a Coast Guard ensign.

DATES: The portion of the regulation 33 CFR 165.506, for the location identified in entry 5 of table 1 to paragraph (h)(1) will be enforced from 9 p.m. through 9:45 p.m. on each of the following four dates: July 3, 2025, July 10, 2025, July 17, 2025, and July 24, 2025.

FOR FURTHER INFORMATION CONTACT: If you have questions about this notification of enforcement, call or email Petty Officer Emmanuel Melendez, U.S. Coast Guard, Sector Delaware Bay, Waterways Management Division, telephone 206-815-6688, option 3, email *SecDelBayWWM@uscg.mil*.

SUPPLEMENTARY INFORMATION: The Coast Guard will enforce the safety zone in table 1 paragraph (h)(1) to 33 CFR 165.506, entry No. 5 for four periods, for three separate land-based fireworks displays. The enforcement periods will be from 9 p.m. through 9:45 p.m. on July 3, 2025, July 10, 2025, July 17, 2025, and July 24, 2025. This action is necessary to ensure the safety of life on the navigable waters of the United States immediately prior to, during, and immediately after fireworks displays. Our regulation for safety zones of fireworks displays within the Fifth Coast Guard District, table 1 to paragraph (h)(1) to 33 CFR 165.506, entry 5 specifies the location of the regulated area as all waters of the Metedeconk River within a 300-yard

radius of the fireworks launch platform in approximate position latitude 40°03'23" N, longitude 074°06'39" W, near the shoreline at Brick Township, NJ. During the enforcement period, as reflected in § 165.506(d), vessels may not enter, remain in, or transit through the safety zone unless authorized by the Captain of the Port or designated Coast Guard patrol personnel on-scene.

In addition to this notice of enforcement in the **Federal Register**, the Coast Guard will provide notification of this enforcement period via Local Notice to Mariners and Broadcast Notice to Mariners.

Kate F. Higgins-Bloom,

Captain, U.S. Coast Guard, Captain of the Port, Sector Delaware Bay.

[FR Doc. 2025-12646 Filed 7-7-25; 8:45 am]

BILLING CODE 9110-04-P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[USCG-2025-0531]

Safety Zone; Annual Event French Festival Fireworks, Cape Vincent, NY

AGENCY: Coast Guard, DHS.

ACTION: Notification of enforcement of regulation.

SUMMARY: The Coast Guard will enforce a safety zone for the French Festival Fireworks on July 12th, 2025, in Cape Vincent, NY to provide for the safety of life on navigable waterways during this event. Our regulation for marine events within the Ninth Coast Guard District identifies the regulated area for this event in Cape Vincent, NY. During the enforcement periods, the operator of any vessel in the regulated area must comply with directions from the Patrol Commander or any Official Patrol displaying a Coast Guard ensign.

DATES: The regulations in 33 CFR 165.939 will be enforced for the Cape Vincent, regulated area listed in Table 1 to § 165.939(15) from 5:00 p.m. through 9:45 p.m. on July 12th, 2025.

FOR FURTHER INFORMATION CONTACT: If you have questions about this notification of enforcement, call or email Waterways Management Division Coordinator, U.S. Coast Guard MSU Thousand Islands; telephone 315-774-8724, email *SMB-MSDMassena-WaterwaysManagement@uscg.mil*.

SUPPLEMENTARY INFORMATION: The Coast Guard will enforce a safety zone regulation in 33 CFR 165.939 for the

French Festival Fireworks July 12th, 2025, regulated area from 5:00 p.m. through 9:45 p.m. This action is being taken to provide for the safety of life on navigable waterways during this event. Our regulation for marine events within the Ninth Coast Guard District, § 165.939, specifies the location of the regulated area for the French Festival Fireworks July 12th, 2025, which encompasses portions of the St. Lawrence River in Cape Vincent, NY. During the enforcement period as reflected in § 165.939, if you are the operator of a vessel in the regulated area you must comply with directions from the Patrol Commander or any Official Patrol displaying a Coast Guard ensign.

In addition to this notification of enforcement in the **Federal Register**, the Coast Guard plans to provide notification of this enforcement period via the Broadcast Notice to Mariners and Local Notice to Mariners. This notification is being issued by the Coast Guard Sector Eastern Great Lakes Prevention Department Head at the direction of the Captain of the Port.

Dated: July 2, 2025.

A. J. Murphy,
Commander, U.S. Coast Guard District. Sector Eastern Great Lakes Prevention Department Head.

[FR Doc. 2025–12656 Filed 7–7–25; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket No. USCG–2025–0587]

Safety Zone; Lakeshore State Park, Milwaukee, WI

AGENCY: Coast Guard, DHS.

ACTION: Notification of enforcement of regulation.

SUMMARY: The Coast Guard will enforce the Safety Zone, Lakeshore State Park, Milwaukee, WI on a portion of Lake Michigan in Milwaukee, WI. This action is intended to protect personnel, vessels, and the marine environment from potential hazards created by a dragon boat race event. During the enforcement period listed below, entry into, transiting, or anchoring within the safety zone is prohibited unless authorized by the Captain of the Port Lake Michigan or a designated representative.

DATES: The regulations in 33 CFR 165.929 will be enforced for the

Lakeshore State Park regulated area listed in item 2 in Table 4 to § 165.929 from 7:30 a.m. to 5:30 p.m. on July 12, 2025.

FOR FURTHER INFORMATION CONTACT: If you have questions about this proposed rulemaking, call or email Lieutenant Commander Jessica Anderson, Sector Lake Michigan Waterways Management Division, U.S. Coast Guard; telephone 414–216–8428, email: D09-SMB-SECLAKEMICHIGAN-WWM@uscg.mil.

SUPPLEMENTARY INFORMATION: The Coast Guard will enforce a safety zone regulation in 33 CFR 165.929 for the Lakeshore State Park dragon boat race event in item 2 in Table 4 to § 165.929 from 7:30 a.m. to 5:30 p.m. on Saturday, July 12, 2025. The regulation for recurring marine events within the State of Wisconsin in item 2 in Table 4 to § 165.929, specifies the location of the regulated area for this event. All vessels must obtain permission from the Captain of the Port (COTP) Lake Michigan, or designated on-scene representative to enter, move within, or exit this safety zone during the enforcement time listed in this notice of enforcement. Vessels and persons granted permission to enter the safety zone must obey all lawful orders or directions of the COTP Lake Michigan or designated representative. Upon being hailed by the U.S. Coast Guard by siren, radio, flashing light or other means, the operator of a vessel must proceed as directed.

In addition to this notification of enforcement in the **Federal Register**, the Coast Guard will provide the maritime community with notification of this enforcement period via Broadcast Notice to Mariners. The COTP Lake Michigan may be reached by contacting the Coast Guard Sector Lake Michigan Command Center at (414) 747–7182. An on-scene designated representative may be reached via VHF–FM Channel 16.

Dated: July 2, 2025.

R.N. Macon,
Captain, U.S. Coast Guard, Captain of the Port, Lake Michigan.

[FR Doc. 2025–12681 Filed 7–7–25; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[USCG–2025–0120]

RIN 1625–AA00

Safety Zone; Kaneohe Bay, Oahu, HI

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing a temporary safety zone while the U.S. Navy Blue Angels Squadron conducts aerobatic performances over Kaneohe Bay, Oahu, Hawaii. This safety zone is necessary to protect watercrafts and the general public from hazards associated with the U.S. Navy Blue Angels aircraft performing low flying, high powered jet aerobatics over open water. This rulemaking prohibits persons and vessels from being in the safety zone unless authorized by the Captain of the Port (COTP) Sector Honolulu or a designated representative.

DATES: This rule is effective on August 8 through August 10, 2025. It will be subject to enforcement from 11 a.m. to 7 p.m. each day.

ADDRESSES: To view documents mentioned in this preamble as being available in the docket, go to <https://www.regulations.gov>, type USCG–2025–0120 in the search box and click “Search.” Next, in the Document Type column, select “Supporting & Related Material.”

FOR FURTHER INFORMATION CONTACT: If you have questions about this rule, call or email Chief Petty Officer Bradley W. Lindsey, Waterway Management Division, U.S. Coast Guard; DIPS 571–610–0730, email Bradley.W.Lindsey@uscg.mil.

SUPPLEMENTARY INFORMATION:

I. Table of Abbreviations

CFR Code of Federal Regulations
COTP Captain of the Port
DHS Department of Homeland Security
FR Federal Register
NPRM Notice of proposed rulemaking
§ Section
U.S.C. United States Code

II. Background Information and Regulatory History

On November 12, 2024, Marine Corps Base Hawaii (MCBH) 2025 Airshow coordinators notified the Coast Guard that it will be conducting an Air Show that includes an aerial performance “show box” extending beyond the

Kaneohe Bay Naval Defensive Sea Area from 11 a.m. to 7 p.m. on August 8 through 10, 2025. Within this “show box,” the U.S. Navy Blue Angels Squadron will conduct aerobic performances, exhibiting their aircraft’s maximum performance capabilities, over Kaneohe Bay, Oahu, Hawaii during a 3-day period. In response, on May 21, 2025, the Coast Guard published a notice of proposed rulemaking (NPRM) titled Safety Zone; Kaneohe Bay; Oahu, HI (90 FR 21708). In the NPRM, the Coast Guard stated why issued the NPRM was issued and invited comments on the proposed regulatory action related to this aerial performance. During the comment period that ended June 20, 2025, we received no comments.

III. Legal Authority and Need for Rule

The Coast Guard is issuing this rule under the authority in 46 U.S.C. 70034. The COTP Honolulu has determined that potential hazards associated with the aerial performance would be a safety concern for anyone within the “show box” that extend beyond the Kaneohe Bay Naval Defensive Sea. The purpose of this rule is to ensure safety of vessels and the navigable waters in the safety zone before, during, and after the scheduled event.

IV. Discussion of Comments, Changes, and the Rule

As noted above, we received no comments on our NPRM published May 21, 2025. There are no changes in the regulatory text of this rule from the proposed rule in the NPRM.

This rule establishes a safety zone from 11 a.m. to 7 p.m. on August 8 through August 10, 2025. The safety zone will cover all navigable waters within the following points 21° 26.159’ N, 157° 47.312’ W; then south to 21° 25.890’ N, 157° 47.250’ W; then northeast to 21° 27.943’ N, 157° 44.953’ W; then west to 21° 28.016’ N, 157° 45.250’ W; and returning southwest to the starting point to complete a rectangle. The duration of the zone is intended to ensure the safety of watercrafts and the general public from hazards associated with the U.S. Navy Blue Angels aircraft low flying, high powered jet aerobatics over open waters. Vessels requiring emergency transit through the zone may request permission by contacting the on-scene Patrol Commander on VHF channel 16 (156.800 MHz) or the Honolulu Captain of the Port at telephone number 808–842–2600.

V. Regulatory Analyses

We developed this rule after considering numerous statutes and Executive orders related to rulemaking. Below we summarize our analyses based on a number of these statutes and Executive orders.

A. Regulatory Planning and Review

Executive Orders 12866 (Regulatory Planning and Review) and 13563 (Improving Regulation and Regulatory Review) direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility.

The Office of Management and Budget (OMB) has not designated this rule a “significant regulatory action,” under section 3(f) of Executive Order 12866. Accordingly, OMB has not reviewed it.

This regulatory action determination is based on the size, location, duration and time of day of the regulated area. Vessel traffic will be able to safely transit around this safety zone which would impact a small designated area of Kaneohe Bay and offshore waters. Moreover, the Coast Guard would issue a Broadcast Notice to Mariners via VHF–FM marine channel 16 about the zone, and the rule would allow vessels to seek permission to enter the zone.

B. Impact on Small Entities

The Regulatory Flexibility Act of 1980, 5 U.S.C. 601–612, as amended, requires Federal agencies to consider the potential impact of regulations on small entities during rulemaking. The term “small entities” comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. The Coast Guard received no comments from the Small Business Administration on this rulemaking. The Coast Guard certifies under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities.

While some owners or operators of vessels intending to transit the safety zone may be small entities, for the reasons stated in section V.A above, this rule will not have a significant economic impact on any vessel owner or operator.

Under section 213(a) of the Small Business Regulatory Enforcement

Fairness Act of 1996 (Pub. L. 104–121), we want to assist small entities in understanding this rule. If the rule will affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please call or email the person listed in the **FOR FURTHER INFORMATION CONTACT** section.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency’s responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1–888–REG–FAIR (1–888–734–3247). The Coast Guard will not retaliate against small entities that question or complain about this rule or any policy or action of the Coast Guard.

C. Collection of Information

This rule will not call for a new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

D. Federalism and Indian Tribal Governments

A rule has implications for federalism under Executive Order 13132, Federalism, if it has 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. We have analyzed this rule under that Order and have determined that it is consistent with the fundamental federalism principles and preemption requirements described in Executive Order 13132.

Also, this rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does 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.

E. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a

State, local, or tribal government, in the aggregate, or by the private sector of \$100,000,000 (adjusted for inflation) or more in any one year. Though this rule will not result in such an expenditure, we do discuss the effects of this rule elsewhere in this preamble.

F. Environment

We have analyzed this rule under Department of Homeland Security Directive 023–01, Rev. 1, associated implementing instructions, and Environmental Planning COMDTINST 5090.1 (series), which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4370f), and have determined that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This rule involves a safety zone that extends the Kaneohe Bay Naval Defense Sea Area on both sides that would prevent vessels from entering the flight paths for the acrobatic performances. It is categorically excluded from further review under paragraph L60(a) of Appendix A, Table 1 of DHS Instruction Manual 023–01–001–01, Rev. 1. A Record of Environmental Consideration supporting this determination is available in the docket. For instructions on locating the docket, see the **ADDRESSES** section of this preamble.

List of Subjects in 33 CFR Part 165

Harbors, Marine safety, Navigation (water), Reporting and recordkeeping requirements, Security measures, Waterways.

For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 165 as follows:

PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

■ 1. The authority citation for part 165 continues to read as follows:

Authority: 46 U.S.C. 70034, 70051, 70124; 33 CFR 1.05–1, 6.04–1, 6.04–6, and 160.5; Department of Homeland Security Delegation No. 00170.1, Revision No. 01.4.

■ 2. Add § 165.T14–0120 to read as follows:

§ 165.T14–0120 Safety Zone; Kaneohe Bay, Oahu, HI

(a) *Location.* The following area is a safety zone: All waters contained within an area composing of one box on Kaneohe Bay Naval Defense Sea Area as established by Executive Order No. 8681 of February 14, 1941, in Kaneohe Bay, Oahu, Hawaii. This safety zone extends approximately 200 yards

northeast and 1000 yards southwest of the Naval Defense Sea Area and is bound by the following points: 21° 26.159' N, 157° 47.312' W; then south to 21° 25.890' N, 157° 47.250' W; then northeast to 21° 27.943' N, 157° 44.953' W; then west to 21° 28.016' N, 157° 45.250' W; and returning southwest to the starting point. This safety zone extends from the surface of the water to the ocean floor. These coordinates are based upon the National Oceanic and Atmospheric Administration Coast Survey, Pacific Ocean, Oahu, Hawaii. These coordinates are based North American Datum 83 (NAD 83).

(b) *Definitions.* As used in this section, *designated representative* means a Coast Guard Patrol Commander, including a Coast Guard coxswain, petty officer, or other officer operating a Coast Guard vessel and a Federal, State, and local officer designated by or assisting the Captain of the Port Sector Honolulu (COTP) in the enforcement of the safety zone.

(c) *Regulations.* (1) Under the general safety zone regulations in subpart C of this part, you may not enter the safety zone described in paragraph (a) of this section unless authorized by the COTP or the COTP's designated representative.

(2) To seek permission to enter, contact the COTP or the COTP's representative via CH. 16 VHF or by calling the 24hr command center at 808–842–2600. Those in the safety zone must comply with all lawful orders or directions given to them by the COTP or the COTP's designated representative.

(d) *Enforcement periods.* This section will be subject to enforcement from 11 a.m. to 7 p.m. on August 8 through 10, 2025.

Dated: June 25, 2025.

N.S. Worst,

CAPTAIN, U.S. Coast Guard, Captain of the Port Sector Honolulu.

[FR Doc. 2025–12625 Filed 7–7–25; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF COMMERCE

Patent and Trademark Office

37 CFR Part 1

[Docket No.: PTO–P–2025–0009]

RIN 0651–AD86

2025 Increase of the Annual Limit on Accepted Requests for Prioritized Examination

AGENCY: United States Patent and Trademark Office, Department of Commerce.

ACTION: Final rule.

SUMMARY: The Leahy-Smith America Invents Act (AIA) includes provisions for prioritized examination of patent applications. Those provisions have been implemented by the United States Patent and Trademark Office (USPTO) in previous rulemakings. The AIA provides that the USPTO may not accept more than 10,000 requests for prioritization in any fiscal year (October 1 to September 30) until regulations setting another limit are prescribed. In 2019 and 2021, the USPTO published interim rules that expanded the limit on the number of requests to 12,000 and 15,000, respectively. The current final rule further expands the availability of prioritized examination by increasing the limit on the number of prioritized examination requests that may be accepted in a fiscal year to 20,000.

DATES: *Effective Date:* July 8, 2025.

Applicability Date: The limit of 20,000 requests for prioritized examination accepted per year is applicable beginning with fiscal year 2025 and continuing for each fiscal year thereafter, until further notice.

FOR FURTHER INFORMATION CONTACT: Kery Fries, Senior Legal Advisor, Office of Patent Legal Administration, at 571–272–7757; or Parikha Solanki, Senior Legal Advisor, Office of Patent Legal Administration, at 571–272–3248.

SUPPLEMENTARY INFORMATION:

I. Background

Section 11(h) of the AIA provides for prioritized examination of an application. See Pub. L. 112–29, 125 Stat. 284, 324 (2011). Section 11(h)(1)(B)(i) of the AIA also provides that the USPTO may, by regulation, prescribe conditions for the acceptance of a request for prioritized examination, and section 11(h)(1)(B)(iii) provides that “[t]he Director may not accept in any fiscal year more than 10,000 requests for prioritization until regulations are prescribed under this subparagraph setting another limit.” Id.

The USPTO implemented the prioritized examination provision of the AIA for original utility or plant nonprovisional applications under 35 U.S.C. 111(a) in a final rule published on September 23, 2011. See *Changes to Implement the Prioritized Examination Track* (Track I) of the Enhanced Examination Timing Control Procedures Under the Leahy-Smith America Invents Act, 76 FR 59050 (September 23, 2011) (codified in 37 CFR 1.102(e)). Following implementation of that rule, the USPTO improved its processes for carrying out prioritized examination and expanded

the scope of prioritized examination in view of those improvements. First, the USPTO implemented prioritized examination for pending applications after the filing of a proper request for continued examination under 35 U.S.C. 132(b) and 37 CFR 1.114. *See* Changes to Implement the Prioritized Examination for Requests for Continued Examination, 76 FR 78566 (December 19, 2011). Next, the USPTO further expanded the prioritized examination procedures to permit the delayed submission of certain filing requirements while maintaining the USPTO's ability to timely examine the patent application. *See* Changes to Permit Delayed Submission of Certain Requirements for Prioritized Examination, 79 FR 12386 (March 5, 2014).

The number of requests for prioritized examination has been increasing steadily over the years. The USPTO published an interim rule in 2019 expanding the availability of prioritized examination by increasing the limit on the number of prioritized examination requests that may be accepted in a fiscal year from 10,000 to 12,000. *See* Increase of the Annual Limit on Accepted Requests for Track I Prioritized Examination, 84 FR 45907 (September 3, 2019). In response to a continued rise in these requests, the USPTO published an interim rule in 2021 further increasing the limit on the number of prioritized examination requests that may be accepted in a fiscal year from 12,000 to 15,000. *See* 2021 Increase of the Annual Limit on Accepted Requests for Track One Prioritized Examination, 86 FR 52988 (September 24, 2021).

In fiscal year 2024, the USPTO received more than 15,000 requests for prioritized examination. The current final rule increases the number of prioritized examination requests that may be accepted in a fiscal year to 20,000, so that the USPTO can continue to accommodate the number of applicants wishing to utilize this program.

This increase in the maximum number of prioritized examination requests accepted in any fiscal year will not negatively impact overall pendency across all applications. First, the number of applications accepted for prioritized examination will remain a small fraction of the patent examinations completed in a fiscal year. Second, the USPTO has recently terminated, or allowed to expire, a number of pilot programs that permitted patent applications meeting certain eligibility criteria the opportunity to be advanced out of turn for examination. The USPTO has determined that any

potential pendency or workflow impacts of these 5,000 additional prioritized examination applications is offset by the cumulative effect of the termination or expiration of programs such as: the Semiconductor Technology Pilot Program, the Cancer Moonshot Expedited Examination Pilot Program, the First-Time Filer Expedited Examination Pilot Program, and the current suspension of the Climate Change Mitigation Pilot Program. In other words, the additional prioritized examination availability combined with the sunset of these pilot programs is expected to have a net neutral or positive effect on overall pendency. Furthermore, an increase in prioritized examination opportunities provides the USPTO with additional resources for building capacity to examine all patent applications in a more timely manner.

Accordingly, the USPTO is further expanding the availability of prioritized examination by increasing the limit on the number of prioritized examination requests that may be accepted in a fiscal year to 20,000, beginning in fiscal year 2025 (October 1, 2024, through September 30, 2025) and continuing every fiscal year thereafter until further notice.

II. Discussion of Specific Rule

The following is a discussion of the amendment to 37 CFR part 1.

Section 1.102: Section 1.102(e) is revised to increase the limit on the total number of requests for prioritized examination that may be accepted (granted) in any fiscal year from 15,000 to 20,000.

III. Rulemaking Considerations

A. Administrative Procedure Act: This final rule revises the procedures that apply to applications for which an applicant has requested Track One prioritized examination. The changes in this final rule do not change the substantive criteria of patentability. Therefore, the changes in this rulemaking involve rules of agency practice and procedure and/or interpretive rules and do not require notice-and-comment rulemaking. *See Perez v. Mortg. Bankers Ass'n*, 575 U.S. 92, 97, 101 (2015) (explaining that interpretive rules “advise the public of the agency’s construction of the statutes and rules which it administers” and do not require notice-and-comment when issued or amended); *Cooper Techs. Co. v. Dudas*, 536 F.3d 1330, 1336–37 (Fed. Cir. 2008) (stating that 5 U.S.C. 553, and thus 35 U.S.C. 2(b)(2)(B), do not require notice-and-comment rulemaking for “interpretative rules, general statements of policy, or rules of agency

organization, procedure, or practice”); *In re Chestek PLLC*, 92 F.4th 1105, 1110 (Fed. Cir. 2024) (noting that rule changes that “do[] not alter the substantive standards by which the USPTO evaluates trademark applications” are procedural in nature and thus “exempted from notice-and-comment rulemaking.”); and *JEM Broadcasting Co. v. F.C.C.*, 22 F.3d 320, 328 (D.C. Cir. 1994) (“[T]he ‘critical feature’ of the procedural exception [in 5 U.S.C. 553(b)(A)] is that it covers agency actions that do not themselves alter the rights or interests of parties, although [they] may alter the manner in which the parties present themselves or their viewpoints to the agency.”) (quoting *Batterton v. Marshall*, 648 F.2d 694, 707 (D.C. Cir. 1980))).

Moreover, the USPTO, pursuant to authority at 5 U.S.C. 553(b)(B), finds good cause to adopt the changes in this final rule without prior notice and an opportunity for public comment, as such procedures would be contrary to the public interest. Delay in the promulgation of this final rule to provide prior notice and comment procedures would cause harm to those applicants who desire to file a request for prioritized examination with a new application or request for continued examination. Immediate implementation of the changes in this final rule is in the public interest because: (1) the public does not need time to conform its conduct, as the changes in this final rule do not add any additional requirement for requesting prioritized examination of an application; and (2) those applicants who would otherwise be ineligible for prioritized examination will benefit from the immediate implementation of the changes in this final rule. *See Nat'l Customs Brokers & Forwarders Ass'n of Am., Inc. v. United States*, 59 F.3d 1219, 1223–24 (Fed. Cir. 1995). Thus, the USPTO implements this final rule without prior notice and opportunity for comment.

In addition, pursuant to authority at 5 U.S.C. 553(d)(3), the USPTO finds good cause to adopt the changes in this interim rule without the 30-day delay in effectiveness as such delay would be contrary to the public interest. Immediate implementation of the changes in this interim rule is in the public interest because: (1) the public does not need time to conform its conduct, as the changes in this final rule do not add any additional requirement for requesting prioritized examination of an application; and (2) those applicants who would otherwise be ineligible for prioritized examination will benefit

from the immediate implementation of the changes in this final rule.

B. Regulatory Flexibility Act: As prior notice and an opportunity for public comment are not required pursuant to 5 U.S.C. 553 or any other law, neither a Regulatory Flexibility Act analysis nor a certification under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) is required. *See* 5 U.S.C. 603.

C. Executive Order 12866 (Regulatory Planning and Review): This rulemaking has been determined to be not significant for purposes of Executive Order 12866 (September 30, 1993).

D. Executive Order 13563 (Improving Regulation and Regulatory Review): The USPTO has complied with Executive Order 13563 (January 18, 2011). Specifically, and as discussed above, the USPTO has, to the extent feasible and applicable: (1) reasonably determined that the benefits of the rule justify its costs; (2) tailored the rule to impose the least burden on society consistent with obtaining the agency's regulatory objectives; (3) selected a regulatory approach that maximizes net benefits; (4) specified performance objectives; (5) identified and assessed available alternatives; (6) involved the public in an open exchange of information and perspectives among experts in relevant disciplines, affected stakeholders in the private sector, and the public as a whole, and provided online access to the rulemaking docket; (7) attempted to promote coordination, simplification, and harmonization across government agencies and identified goals designed to promote innovation; (8) considered approaches that reduce burdens while maintaining flexibility and freedom of choice for the public; and (9) ensured the objectivity of scientific and technological information and processes.

E. Executive Order 14192 (Deregulation): This regulation is not an Executive Order 14192 regulatory action because it has been determined to be not significant.

F. Executive Order 13132 (Federalism): This rulemaking pertains strictly to federal agency procedures and does not contain policies with federalism implications sufficient to warrant preparation of a Federalism Assessment under Executive Order 13132 (August 4, 1999).

G. Executive Order 13175 (Tribal Consultation): This rulemaking will not: (1) have substantial direct effects on one or more Indian tribes; (2) impose substantial direct compliance costs on Indian tribal governments; or (3) preempt tribal law. Therefore, a tribal summary impact statement is not

required under Executive Order 13175 (November 6, 2000).

H. Executive Order 13211 (Energy Effects): This rulemaking is not a significant energy action under Executive Order 13211 because this rulemaking is not likely to have a significant adverse effect on the supply, distribution, or use of energy. Therefore, a Statement of Energy Effects is not required under Executive Order 13211 (May 18, 2001).

I. Executive Order 12988 (Civil Justice Reform): This rulemaking meets applicable standards to minimize litigation, eliminate ambiguity, and reduce burden as set forth in sections 3(a) and 3(b)(2) of Executive Order 12988 (February 5, 1996).

J. Executive Order 13045 (Protection of Children): This rulemaking does not concern an environmental risk to health or safety that may disproportionately affect children under Executive Order 13045 (April 21, 1997).

K. Executive Order 12630 (Taking of Private Property): This rulemaking will not effect a taking of private property or otherwise have taking implications under Executive Order 12630 (March 15, 1988).

L. Congressional Review Act: Under the Congressional Review Act provisions of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 801 *et seq.*), the USPTO will submit a report containing the final rule and other required information to the United States Senate, the United States House of Representatives, and the Comptroller General of the Government Accountability Office. The changes in this rulemaking are not expected to result in an annual effect on the economy of \$100 million or more, a major increase in costs or prices, or significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets. Therefore, this rulemaking is not expected to result in a "major rule" as defined in 5 U.S.C. 804(2).

M. Unfunded Mandates Reform Act of 1995: The changes set forth in this rulemaking do not involve a Federal intergovernmental mandate that will result in the expenditure by State, local, and tribal governments, in the aggregate, of \$100 million (as adjusted) or more in any one year, or a Federal private sector mandate that will result in the expenditure by the private sector of \$100 million (as adjusted) or more in any one year, and will not significantly or uniquely affect small governments. Therefore, no actions are necessary

under the provisions of the Unfunded Mandates Reform Act of 1995. *See* 2 U.S.C. 1501 *et seq.*

N. National Environmental Policy Act of 1969: This rulemaking will not have any effect on the quality of the environment and is thus categorically excluded from review under the National Environmental Policy Act of 1969. *See* 42 U.S.C. 4321 *et seq.*

O. National Technology Transfer and Advancement Act of 1995: The requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) are not applicable because this rulemaking does not contain provisions that involve the use of technical standards.

P. Paperwork Reduction Act of 1995: The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) (PRA) requires that the USPTO consider the impact of paperwork and other information collection burdens imposed on the public. This final rule does not involve information collection requirements that are subject to review by the Office of Management and Budget (OMB) under the PRA. An applicant who wishes to participate in the prioritized examination program must submit a certification and request to participate in the program, preferably by using Form PTO/AIA/424. OMB has determined that, under 5 CFR 1320.3(h), Form PTO/AIA/424 does not collect "information" within the meaning of the PRA. Therefore, this rulemaking to increase the limit on the number of prioritized examination requests that may be accepted in a fiscal year does not impose any additional information collection requirements under the PRA that are subject to review by OMB.

Notwithstanding any other provision of law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information has a currently valid OMB control number.

Q. E-Government Act Compliance: The USPTO is committed to compliance with the E-Government Act to promote the use of the internet and other information technologies, to provide increased opportunities for citizen access to Government information and services, and for other purposes.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Biologics, Courts, Freedom of information, Inventions and patents, Reporting and recordkeeping requirements, Small businesses.

For the reasons set forth in the preamble, 37 CFR part 1 is amended as follows:

PART 1—RULES OF PRACTICE IN PATENT CASES

■ 1. The authority citation for 37 CFR part 1 continues to read as follows:

Authority: 35 U.S.C. 2(b)(2), unless otherwise noted.

■ 2. Section 1.102 is amended by revising the last sentence of the paragraph (e) introductory text to read as follows:

§ 1.102 Advancement of examination.

* * * * *

(e) * * * No more than 20,000 requests for such prioritized examination will be accepted in any fiscal year.

* * * * *

Coke Morgan Stewart,

Acting Under Secretary of Commerce for Intellectual Property and Acting Director of the United States Patent and Trademark Office.

[FR Doc. 2025–12644 Filed 7–7–25; 8:45 am]

BILLING CODE 3510–16–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R05–OAR–2021–0544; FRL–12175–02–R5]

Air Plan Approval; Ohio; Regional Haze Plan for the Second Implementation Period

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is approving the Regional Haze State Implementation Plan (SIP) revision submitted by the Ohio Environmental Protection Agency (Ohio or Ohio EPA) on July 30, 2021, as supplemented on August 6, 2024, and clarified by Ohio on June 16, 2025, as satisfying applicable requirements under the Clean Air Act (CAA) and EPA's Regional Haze Rule for the program's second implementation period. Together, Ohio's 2021 SIP submission, 2024 SIP supplement, and 2025 clarification address the requirement that States must periodically revise their long-term strategies for making reasonable progress towards the national goal of preventing any future, and remedying any existing, anthropogenic impairment

of visibility, including regional haze, in mandatory Class I Federal areas. Ohio's complete SIP submission also addresses other applicable requirements for the second implementation period of the Regional Haze Program. EPA is taking this action pursuant to sections 110 and 169A of the CAA.

DATES: This final rule is effective on August 7, 2025.

ADDRESSES: EPA has established a docket for this action under Docket ID No. EPA–R05–OAR–2021–0544. All documents in the docket are listed on the www.regulations.gov website. Although listed in the index, some information is not publicly available, *i.e.*, Confidential Business Information (CBI), Proprietary Business Information (PBI), or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the internet and will be publicly available only in hard copy form. Publicly available docket materials are available either through www.regulations.gov or at the Environmental Protection Agency, Region 5, Air and Radiation Division, 77 West Jackson Boulevard, Chicago, Illinois 60604. This facility is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding Federal holidays. We recommend that you telephone Alisa Liu, Environmental Engineer, at (312) 353–3193 before visiting the Region 5 office.

FOR FURTHER INFORMATION CONTACT: Alisa Liu, Air and Radiation Division (AR–18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 353–3193, liu.alisa@epa.gov.

SUPPLEMENTARY INFORMATION: Throughout this document whenever “we,” “us,” or “our” is used, we mean EPA.

I. Background

On July 30, 2021, Ohio EPA submitted a revision to its SIP to address regional haze for the second implementation period, supplemented it on August 6, 2024, and clarified it on June 16, 2025.¹ Ohio EPA made this SIP submission to satisfy the requirements of the CAA's Regional Haze Program² pursuant to CAA sections 169A and 169B and 40 CFR 51.308.

On August 30, 2024, EPA proposed to approve Ohio's Regional Haze SIP revision. A detailed analysis of Ohio's

plan and EPA's evaluation are contained in the notice of proposed rulemaking (NPRM), dated August 30, 2024 (89 FR 71124), and will not be restated here. In the NPRM, EPA proposed to find that Ohio's Regional Haze SIP submission as supplemented satisfied the regional haze requirements for the second implementation period contained in 40 CFR 51.308(f), including the incorporation by reference of Director's Final Findings and Orders (DFFOs) with specific emissions rates in Ohio's long-term strategy into the SIP at 40 CFR 52.1870(d) at three power plants (Cardinal Power Plant, General James M. Gavin Power Plant, and Ohio Valley Electric Corp.—Kyger Creek Station) and retirements by 2028 at two power plants (Miami Fort Power Station and Zimmer Power Station).

On June 16, 2025, Ohio clarified in a letter that Zimmer Power Station Unit B006 retired in 2022 and that Miami Fort Power Station is considering converting Units B015 and B016 to natural gas in lieu of permanently shutting down. As such, Ohio stated that the DFFOs for these two facilities are not necessary for reasonable progress and are no longer part of its SIP submittal. Ohio EPA confirmed the past retirement of Zimmer Power Station Unit B006 is already permanent and federally enforceable.³ Additionally, Ohio EPA also concluded that the DFFO for Miami Fort Power Station is not necessary for reasonable progress. Although not relied upon for reasonable progress, Ohio EPA affirms that Miami Fort Power Station continues to be required through Ohio EPA-issued Orders at the State level to either permanently shut down B015 and B016 or convert to natural gas in 2028.

II. Public Comment Process

The public comment period on EPA's proposed rule opened August 30, 2024, was extended until October 15, 2024, was reopened on a limited basis on February 28, 2025, and finally closed on March 17, 2025. 89 FR 71124, August 30, 2024; 89 FR 76442, September 18, 2024; 90 FR 10876, February 28, 2025. During this period, EPA received relevant comments from the following individuals, businesses, agencies, and organizations: Buckeye Power, Inc. and Ohio Valley Electric Corporation

¹ Ohio EPA's letter dated June 16, 2025, is included in the docket for this rulemaking.

² The Regional Haze Rule is codified at 40 CFR 51.308.

³ For Zimmer Power Station, the Retired Unit Exemption form, title V Permit P0135965, and list of retired generators from the Pennsylvania-New Jersey-Maryland Interconnection (PJM) Regional Transmission Organization (RTO) documenting the facility's retirement are included in the docket. Permit P0135965 is also publicly available at <https://edocpub.epa.ohio.gov/publicportal/edochome.aspx>.

(Comment 1); Anonymous (Comment 2); Anonymous (Comment 3); U.S. Forest Service (USFS) (Comment 4); National Park Service (NPS) (Comment 5); Coalition to Protect America's National Parks (Comment 6); Black Environmental Leaders, Coalition to Protect America's National Parks, Junction Coalition, National Parks Conservation Association, Northeast Ohio Black Health Coalition, Ohio Environmental Council, and Sierra Club (Environmental Groups) (Comment 7); and National Parks Conservation Association, Sierra Club, Coalition to Protect America's National Parks, Ohio Environmental Council (Conservation Groups) (Comments 8–21); and Buckeye Power, Inc. and Ohio Valley Electric Corporation (Comment 22).

III. Summary of Public Comments and EPA's Responses

All comments received are included in the rulemaking docket for this action. In the June 17, 2025, Response to Comments document, which is included in the docket for this rulemaking, EPA provides full detailed responses to all significant comments received that further explain the basis for our final action.

EPA received comments on the NPRM addressing topics including, but not limited to, new emission limits, docket organization, cost considerations, visibility, enforceability of retirements, enforceability of permit conditions, existing effective controls, four-factor analyses,⁴ CAA considerations, Best Available Retrofit Technology (BART), enforceability of Ohio's administrative orders, State-to-State consultations, Federal Land Manager (FLM) consultation, environmental justice, regional planning organization work products, incorporation by reference, Federal Implementation Plan (FIP) considerations, and renewable and nuclear energy options. The comments, while partially summarized below, are available in full in the docket for this rulemaking and are fully addressed in the June 17, 2025, Response to Comments document.

Comments received from Buckeye Power Inc., which operates Cardinal Power Plant, and Ohio Valley Electric Corporation, which operates Kyger Creek Station, were supportive of the

proposed rulemaking and of the new emission limits for those facilities that Ohio EPA effectuated through DFFOs.

USFS expressed concern regarding EPA's consideration of costs/sales ratios as well as the comparison of emission reductions from already implemented shutdowns and fuel conversions to potential additional emission reductions.

NPS provided alternative considerations regarding the four-factor analyses and effective controls demonstrations submitted by Ohio for General James M. Gavin Power Plant, Cardinal Power Plant, Ohio Valley Electric Corp.—Kyger Creek Station, and Carmeuse Lime, Inc.—Maple Grove Operations. NPS also asserted that, at times, Ohio's implementation of the FLM consultation process did not follow the requirements of 40 CFR 51.308(i)(2) and (3).

The Coalition to Protect America's National Parks raised concerns about the number of industrial facilities in Ohio, their disproportionate impact on communities of color and low income, and their impact on Ohio's residents in general.

The Environmental Groups raised concerns about the impact of emissions from General James M. Gavin Power Plant on public health and regional haze in certain mandatory Class I Federal areas.⁵

The Conservation Groups commented on benefits of improved visibility at Class I areas that would also improve public health. The Conservation Groups questioned the enforceability of permanent shutdowns, and whether the commitments to shut down 15 units by 2028 was as an adequate reason not to require new emission controls on these units. The Conservation Groups also questioned the enforceability of permit conditions requiring certain facilities to convert to natural gas and limited use. By forgoing four-factor analyses for Ohio Valley Electric Corp.—Kyger Creek Station, Cardinal Power Plant, and FirstEnergy Generation LLC—Bay Shore Plant, the Conservation Groups commented that Ohio failed to show that these facilities were effectively controlled and that cost-effective controls were not likely available. For the four-factor analyses that Ohio provided for General James M. Gavin

Power Plant and Carmeuse Lime, Inc.—Maple Grove Operations, the Conservation Groups asserted that EPA's proposed approval of Ohio's conclusions was arbitrary and capricious and not reasonable considering the requirements of the CAA. For both facilities, the Conservation Groups commented on Ohio's consideration of visibility as a fifth factor. As an overarching concern, the Conservation Groups asserted that EPA could not exempt sources from Best Available Retrofit Technology requirements in the second implementation period. Regarding Ohio's DFFOs, the Conservation Groups questioned whether the requirements are practically enforceable, whether the terms were permanent, and whether they provide for monitoring, reporting and recordkeeping to provide adequate reporting for citizen enforcement.

The Conservation Groups also raised concerns about Ohio's implementation of the State-to-State consultation process, referring to requests from the Mid-Atlantic/Northeast Visibility Union (MANE-VU) and the Visibility Improvement State and Tribal Association of the Southeast (VISTAS) for four-factor analyses, low sulfur fuel standards, and lower emission limits. As to the FLM consultation process, the Conservation Groups reiterated comments provided by the FLMs that addressed Ohio's public notice process, reasons used to forgo four-factor analyses, assumptions used in cost calculations, evaluation of certain control measures, and consideration of visibility as a fifth factor. Environmental justice was also expressed as an area of concern by the Conservation Groups. The Conservation Groups commented that the public was not given an opportunity to review or comment on the work products of the Lake Michigan Air Directors Consortium (LADCO) during Ohio's development of their SIP revision. As to EPA's NPRM, the Conservation Groups commented that EPA's proposed action was not clear as to how the DFFOs were to be incorporated by reference into Ohio's SIP. Overall, the Conservation Groups urged EPA to disapprove Ohio's SIP revision and issue a FIP as soon as possible.

Regarding the reopening of the public comment period to notify the public that three permits were added to the docket, Buckeye Power, Inc. and Ohio Valley Electric Corporation provided additional comments, noting that the reopening of the comment period was unexpected and unnecessary, asserting that the presence of the permits

⁴ Under CAA 169A(g)(1), the four statutory factors are the costs of compliance, the time necessary for compliance, the energy and non-air quality environmental impacts of compliance, and the remaining useful life of any potentially affected sources. See also 40 CFR 51.308(f)(2)(i). An evaluation of potential control options for sources of visibility impairing pollutants based on applying the four statutory factors in CAA section 169A(g)(1) is referred to as a "four-factor" analysis.

⁵ Areas statutorily designated as mandatory Class I Federal areas consist of national parks exceeding 6,000 acres, wilderness areas and national memorial parks exceeding 5,000 acres, and all international parks that were in existence on August 7, 1977. CAA 162(a). There are 156 mandatory Class I areas. The list of areas to which the requirements of the visibility protection program apply is in 40 CFR part 81, subpart D. Class I Federal areas are hereinafter referred to as "Class I areas".

themselves in the docket has no impact on the SIP.

As discussed in further detail in our proposed rule, this rule, the June 17, 2025, Response to Comments document, and the brief summary of those responses below, EPA finds that Ohio submitted a Regional Haze SIP revision that meets all the regional haze requirements for the second implementation period.

EPA concludes that Ohio's determinations of the measures necessary for reasonable progress were based on a reasonable consideration of the four statutory factors as discussed in the NPRM. Ohio thoroughly examined sources for existing effective controls and for potential additional emission controls through four-factor analyses. While Ohio provided information on control costs/sales ratios and visibility, Ohio did not use this information to reject potential additional emission controls. Ohio also did not reject emission controls merely because of other ongoing emission reductions. Rather, in consideration of the four statutory factors, Ohio found that potential additional controls were not cost-effective.

While some commenters suggested that Ohio should consider certain add-on control measures as cost-effective based on thresholds established by other States, the preamble to the Regional Haze Rule speaks to the flexibility afforded to States when considering the cost of compliance factor. See, e.g., 82 FR 3078, 3088, January 10, 2017. As such, EPA notes that the cost effectiveness threshold in one State should not necessarily be determinative of whether controls are cost-effective in another State.

In all cases, Ohio appropriately considered the four statutory factors and carefully weighed the potential emission controls and the large statewide reductions achieved during the second implementation period before appropriately deciding on whether further controls were necessary to make reasonable progress or needed in the State's long-term strategy. Ohio documented that 27 of the 38 coal-fired units above Ohio's threshold for source selection have either already permanently shut down, converted to limited use, converted to natural gas, or accepted enforceable limits. For the units that have already been retired, the record demonstrates that the shutdowns are federally enforceable and permanent. Based on 2016 emissions as shown in Table 4 of Ohio's SIP submittal, the shutdowns and conversions that have already taken place during the second implementation

period represent statewide reductions of more than 37,000 tons per year sulfur dioxide (SO₂) and 28,000 tons per year nitrogen oxides (NO_x), and the conversions to natural gas add another 15,000 tons per year of SO₂ reductions to that total.

For 2028 projections of emissions and visibility impairment, Ohio's technical demonstrations relied upon the thorough analysis and modeling provided by LADCO, which were subject to public notice and comment at both the State and Federal level. Based on this modeling, EPA notes that emissions from Ohio are not reasonably anticipated to cause or contribute to visibility impairment in any Class I areas that are above the 2028 uniform rate of progress.⁶⁷ Section III.2. and appendix A of Ohio's SIP submission provide references to LADCO's technical support document and supporting materials. Additionally, in the 2028 LADCO modeling, Miami Fort Power Station was assumed to be operating similar to past operation in that it was not retired in the 2028 modeling scenarios. Therefore, the modeling shows that all Class I areas affected by Ohio will be below their 2028 uniform rate of progress, whether or not Miami Fort Power Station continues to operate on coal. If Miami Fort Power Station does shut down or convert B015 and B016 to natural gas, then even greater emission reductions will be realized than were modeled. Based on that information, Ohio EPA concluded, and EPA agrees, that considering the numerous other on-the-books and on-the-way controls identified in the State's long-term strategy, removing the DFFO for Miami Fort Power Station from the SIP submission will not impact Ohio's ability to make reasonable progress at the Class I areas affected by emissions from Ohio. In line with recent proposals from EPA,⁶⁸ the Agency has determined that where visibility is below the uniform rate of progress in 2028 and the State has considered the four statutory factors, the State has presumptively

⁶⁷ 40 CFR 51.308(f)(3)(ii). See 89 FR 71124; 71146–71147, August 30, 2024.

⁶⁸ The uniform rate of progress is used as a tracking metric to help States assess the amount of progress they are making towards the national visibility goal over time in each Class I area. See 89 FR 71124; 71125.

⁶⁹ See “Air Plan Approval; West Virginia; Regional Haze State Implementation Plan for the Second Implementation Period,” 90 FR 16478, 16483–16484 (April 18, 2025). See also “Air Plan Approval; South Dakota; Regional Haze Plan for the Second Implementation Period,” 90 FR 20425, 20434 (May 14, 2025) and “Air Plan Approval; Vermont; Regional Haze State Implementation Plan for the Second Implementation Period,” 90 FR 22033, 22043 (May 23, 2025).

demonstrated reasonable progress for the second implementation period for that Class I area, as Ohio has.

Ohio documented quantifiable and meaningful reductions in SO₂ and NO_x emissions and ensured improvements in actual emission rates would continue to make reasonable progress by effectuating DFFOs for Cardinal Power Plant, General James M. Gavin Power Plant, and Ohio Valley Electric Corp.—Kyger Creek Station. Although a commenter questioned the practical enforceability of the DFFOs, EPA notes that the DFFOs effectively provide that specific monitoring, reporting, and recordkeeping requirements are provided for and must be incorporated into the facilities' title V operating permits, thereby affording adequate reporting for enforcement.

Given these facts and others discussed more fully in the NPRM and June 17, 2025, Response to Comments document, EPA agrees that it was reasonable for Ohio to conclude that existing Federally enforceable measures as well as controls included in the DFFOs constitute reasonable progress for the State's long-term strategy in the second implementation period.

Although one comment asserted that EPA did not provide an independent evaluation of Ohio's four-factor analyses for General James M. Gavin Power Plant and Carmeuse Lime, Inc.—Maple Grove Operations and, as such, that EPA's proposed approval of Ohio's SIP revisions was arbitrary and capricious, EPA carefully evaluated Ohio's SIP revisions along with the associated record in the docket and documented the information the State relied upon for transparency to the public.

As to comments regarding Ohio's participation in the FLM consultation process and the State-to-State consultation process, EPA fully considered Ohio's public notices that documented the FLMs' recommendations, MANE-VU's and VISTAS' requests, and Ohio's Responses in proposing to find that Ohio's FLM and State-to-State consultation process satisfied the requirements of 40 CFR 51.308(i)(2) and (3) and 51.308(f)(2)(ii), respectively.

While some comments raised concerns regarding public health, park visitation, and local economies, EPA notes that these are not considerations within the Regional Haze Program. With respect to public health concerns in particular, the primary national ambient air quality standards are among the standards that provide public health protection, including protection for the health of sensitive populations such as asthmatics, children, and the elderly.

Although some commenters urged EPA to disapprove Ohio's SIP revision and issue a FIP as soon as possible, as stated throughout our proposed action, this action, and the June 17, 2025, Response to Comments document, EPA has determined that Ohio reasonably considered the statutory and regulatory requirements and appropriately determined what measures are necessary for reasonable progress for the second implementation period and, therefore, a FIP is not necessary. For additional justification and rationale for this final action, please see the June 17, 2025, Response to Comments document located in the docket.

EPA is finalizing its approval of Ohio's July 30, 2021, Regional Haze SIP submission as supplemented on August 6, 2024, for the second planning period as proposed, with the exception of the DFFOs for Miami Fort and Zimmer Power Stations, after considering all comments received as addressed in detail in the June 17, 2025, Response to Comments document as well as Ohio's June 16, 2025, letter provided during EPA's review process.

IV. Final Action

EPA is approving the Regional Haze SIP revision submitted by Ohio EPA on July 30, 2021, supplemented on August 6, 2024, and clarified on June 16, 2025, as satisfying the regional haze requirements for the second implementation period contained in 40 CFR 51.308(f). EPA is finalizing the incorporation by reference into Ohio's SIP at 40 CFR 52.1870(d) the following Ohio EPA DFFOs for Cardinal Power Plant, B001, B002, and B009 (State effective date: July 26, 2024); Ohio Valley Electric Corp.—Kyger Creek, B001, B002, B003, B004, and B005 (State effective date: July 26, 2024); and General James M. Gavin Power Plant, B003 and B004 (State effective date: July 26, 2024).

V. Incorporation by Reference.

In this rule, EPA is finalizing regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, EPA is finalizing the incorporation by reference of the Ohio EPA's DFFOs described in section IV of this preamble and set forth in the amendments to 40 CFR part 52 below. EPA has made, and will continue to make, these documents generally available through www.regulations.gov, and at the EPA Region 5 Office (please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section of this preamble for more information). Therefore, these materials have been

approved by EPA for inclusion in the SIP, have been incorporated by reference by EPA into that plan, are fully federally enforceable under sections 110 and 113 of the CAA as of the effective date of the final rulemaking of EPA's approval, and will be incorporated by reference in the next update to the SIP compilation.⁹

VI. Statutory and Executive Order Reviews.

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve State choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves State law as meeting Federal requirements and does not impose additional requirements beyond those imposed by State law. For that reason, this action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);
- Is not subject to Executive Order 14192 (90 FR 9065, February 6, 2025) because SIP actions are exempt from review under Executive Order 12866;
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4);
- Does not have federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not subject to Executive Order 13045 (62 FR 19885, April 23, 1997) because it approves a State program;
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001); and
- Is not subject to requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA.

In addition, the SIP is not approved to apply on any Indian reservation land

or in any other area where EPA or an Indian Tribe has demonstrated that a Tribe has jurisdiction. In those areas of Indian country, the rule does not have Tribal implications and will not impose substantial direct costs on Tribal governments or preempt Tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

This action is subject to the Congressional Review Act, and EPA will submit a rule report to each House of the Congress and to the Comptroller General of the United States. This action is not a “major rule” as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by September 8, 2025. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this action for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2).)

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Ozone, Particulate matter, Sulfur oxides.

Dated: June 24, 2025.

Cheryl Newton,

Acting Regional Administrator, Region 5.

For the reasons stated in the preamble, title 40 CFR part 52 is amended as follows:

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

- 1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

- 2. In § 52.1870:
 - a. Amend the table in paragraph (d) by:
 - i. Adding an entry for “Cardinal Power Plant” after the entry for “AK Steel Corporation”.
 - ii. Adding an entry for “General James M. Gavin Power Plant” after the entry for “Forest City Technologies, Plant 4”.
 - iii. Adding an entry for “Ohio Valley Electric Corp.—Kyger Creek” after the entry for “Morgan Adhesives Co”.
 - b. Amend the table in paragraph (e) under “Visibility Protection” by adding an entry for “Regional Haze Plan for the

⁹ 62 FR 27968 (May 22, 1997).

Second Implementation Period” after the entry for “Regional Haze Five-Year Progress Report”.

The additions read as follows:

§ 52.1870 Identification of plan.

* * * * *
(d) * * *

EPA-APPROVED OHIO SOURCE-SPECIFIC PROVISIONS

Name of source	Number	Ohio effective date	EPA approval date	Comments
* * *	* * *	* * *	* * *	* * *
Cardinal Power Plant	DFFO	7/26/2024	7/8/2025, 90 FR [insert Federal Register page where the document begins].	Regional haze emission limit.
* * *	* * *	* * *	* * *	* * *
General James M. Gavin Power Plant	DFFO	7/26/2024	7/8/2025, 90 FR [insert Federal Register page where the document begins].	Regional haze emission limit.
* * *	* * *	* * *	* * *	* * *
Ohio Valley Electric Corp.—Kyger Creek Station.	DFFO	7/26/2024	7/8/2025, 90 FR [insert Federal Register page where the document begins].	Regional haze emission limits.
* * *	* * *	* * *	* * *	* * *

(e) * * *

EPA-APPROVED OHIO NONREGULATORY AND QUASI-REGULATORY PROVISIONS

Title	Applicable geographic or nonattainment area	State date	EPA approval	Comments
* * *	* * *	* * *	* * *	* * *
Visibility Protection				
* * *	* * *	* * *	* * *	* * *
Regional Haze Plan for the Second Implementation Period.	Statewide	7/30/2021, 8/6/2024, and 6/16/2025.	7/8/2025, 90 FR [insert Federal Register page where the document begins].	Full Approval.

* * * * *
[FR Doc. 2025–12526 Filed 7–7–25; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 63

[EPA–HQ–OAR–2002–0085, EPA–HQ–OAR–2003–0051; FRL–8471.1–03–OAR]

National Emission Standards for Hazardous Air Pollutants for Coke Ovens: Pushing, Quenching, and Battery Stacks, and Coke Oven Batteries; Residual Risk and Technology Review, and Periodic Technology Review

AGENCY: Environmental Protection Agency (EPA).

ACTION: Interim final rule; request for comment.

SUMMARY: The U.S. Environmental Protection Agency (EPA) is taking interim final action on revisions to the National Emission Standards for Hazardous Air Pollutants (NESHAP) for the Coke Oven Batteries (COB) source category and the Coke Ovens: Pushing, Quenching, and Battery Stacks (PQBS) source category by revising certain compliance deadlines for standards finalized in 2024. Specifically, the EPA is amending the compliance deadlines for certain 2024 revisions to the COB and PQBS NESHAPs from July 7, 2025 and January 6, 2026, to July 5, 2027. The EPA seeks comment on this final action and will respond to comments received and revise this final action as appropriate.

DATES: This interim final rule is effective on July 8, 2025. Comments on this rule must be received on or before August 7, 2025.

ADDRESSES: You may send comments, identified by Docket ID Nos. EPA–HQ–OAR–2002–0085 (Coke Ovens: Pushing, Quenching, and Battery Stacks source category) and EPA–HQ–OAR–2003–0051 (Coke Oven Batteries source category) by any of the following methods:

- **Federal eRulemaking Portal:** <https://www.regulations.gov> (our preferred method). Follow the online instructions for submitting comments.
- **Email:** a-and-r-docket@epa.gov. Include Docket ID Nos. EPA–HQ–OAR–2002–0085 or EPA–HQ–OAR–2003–0051 in the subject line of the message.
- **Fax:** (202) 566–9744. Attention Docket ID Nos. EPA–HQ–OAR–2002–0085 or EPA–HQ–OAR–2003–0051.

• *Mail*: U.S. Environmental Protection Agency, EPA Docket Center, Docket ID Nos. EPA-HQ-OAR-2002-0085 or EPA-HQ-OAR-2003-0051, Mail Code 28221T, 1200 Pennsylvania Avenue NW, Washington, DC 20460.

• *Hand/Courier Delivery*: EPA Docket Center, WJC West Building, Room 3334, 1301 Constitution Avenue NW, Washington, DC 20004. The Docket Center's hours of operation are 8:30 a.m. to 4:30 p.m., Monday through Friday (except Federal holidays).

Comments received may be posted without change to <https://www.regulations.gov>, including any personal information provided. For detailed instructions on sending comments, see the "Public Participation" heading of the General Information section of this preamble.

FOR FURTHER INFORMATION CONTACT: U.S. EPA, Attn: Jonathan Witt, Mail Drop: D243-04, 109 T.W. Alexander Drive, P.O. Box 12055, Research Triangle Park, North Carolina 27711; telephone number: (919) 541-5645; email address: witt.jon@epa.gov.

Preamble acronyms and abbreviations. Throughout this document the use of "we," "us," or "our" is intended to refer to the EPA. We use multiple acronyms and terms in this preamble. While this list may not be exhaustive, to ease the reading of this preamble and for reference purposes, the EPA defines the following terms and acronyms here:

AG acid gases
 APA Administrative Procedure Act
 B/W bypass/waste heat
 CAA Clean Air Act
 CBI Confidential Business Information
 CFR Code of Federal Regulations
 COB coke oven batteries
 COETF Coke Oven Environmental Task Force
 CRA Congressional Review Act
 D/F dioxins and furans
 EIA economic impact analysis
 EPA Environmental Protection Agency
 FR Federal Register
 HAP hazardous air pollutant(s)
 HBEL health-based emission limit
 HCl hydrochloric acid
 HCN hydrogen cyanide
 HF hydrogen fluoride
 HNR heat and nonrecovery (*i.e.*, no chemical recovery), or nonrecovery with no heat recovery
 HRSG heat recovery steam generator
 MACT maximum achievable control technology
 NESHAP national emission standards for hazardous air pollutants
 NTTAA National Technology Transfer and Advancement Act
 OAQPS Office of Air Quality Planning and Standards
 OMB Office of Management and Budget
 PAH polycyclic aromatic hydrocarbons

PM particulate matter
 PRA Paperwork Reduction Act
 PQBS pushing, quenching, and battery stacks
 RFA Regulatory Flexibility Act
 Rtc response to comments
 RTR risk and technology review
 tpy tons per year
 UMRA Unfunded Mandates Reform Act
 VOHAP volatile organic HAP

Organization of this preamble. The information in this preamble is organized as follows:

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 - H. Executive Order 13045: Protection of Children From Environmental Health Risks and Safety Risks
 - I. Executive Order 13211: Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use
 - J. National Technology Transfer and Advancement Act (NTTAA)
 - K. Congressional Review Act (CRA)

SUPPLEMENTARY INFORMATION:

I. General Information

A. Public Participation

Submit your written comments, identified by Docket ID Nos. EPA-HQ-OAR-2002-0085 or EPA-HQ-OAR-2003-0051, at <https://www.regulations.gov> (our preferred method), or by the other methods identified in the **ADDRESSES** section. Once submitted, comments cannot be edited or removed from the docket. The EPA may publish any comment received to its public docket. Do not submit to the EPA's docket at <https://www.regulations.gov> any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. This type of

information should be submitted as discussed in the *Submitting CBI* section of this preamble. Multimedia submissions (audio, video, *etc.*) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. The EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.*, on the web, cloud, or other file sharing system). Please visit <https://www.epa.gov/dockets/commenting-epa-dockets> for additional submission methods; the full EPA public comment policy; information about CBI or multimedia submissions; and general guidance on making effective comments.

Submitting CBI. Do not submit information containing CBI to the EPA through <https://www.regulations.gov>. Clearly mark the part or all of the information that you claim to be CBI. For CBI information on any digital storage media that you mail to the EPA, note the docket ID, mark the outside of the digital storage media as CBI, and identify electronically within the digital storage media the specific information that is claimed as CBI. In addition to one complete version of the comments that includes information claimed as CBI, you must submit a copy of the comments that does not contain the information claimed as CBI directly to the public docket through the procedures outlined in the *Public Participation* section of this preamble. If you submit any digital storage media that does not contain CBI, mark the outside of the digital storage media clearly that it does not contain CBI and note the docket ID. Information not marked as CBI will be included in the public docket and the EPA's electronic public docket without prior notice. Information marked as CBI will not be disclosed except in accordance with procedures set forth in 40 Code of Federal Regulations (CFR) part 2.

Our preferred method to receive CBI is for it to be transmitted electronically using email attachments, File Transfer Protocol, or other online file sharing services (*e.g.*, Dropbox, OneDrive, Google Drive). Electronic submissions must be transmitted directly to the Office of Air Quality Planning and Standards (OAQPS) CBI Office at the email address oaqpscbi@epa.gov and, as described above, should include clear CBI markings and note the docket ID. If assistance is needed with submitting large electronic files that exceed the file size limit for email attachments, and if you do not have your own file sharing service, please email oaqpscbi@epa.gov

to request a file transfer link. If sending CBI information through the U.S. Postal Service, please send it to the following address: U.S. EPA, Attn: OAQPS Document Control Officer, Mail Drop: C404-02, 109 T.W. Alexander Drive, P.O. Box 12055, Research Triangle Park, North Carolina 27711, Attention Docket ID Nos. EPA-HQ-OAR-2002-0085 or EPA-HQ-OAR-2003-0051. The mailed CBI material should be double wrapped and clearly marked. Any CBI markings should not show through the outer envelope.

B. Potentially Affected Entities

As defined in the *Initial List of Categories of Sources Under Section 112(c)(1) of the Clean Air Act Amendments of 1990* (see 57 FR 31576, July 16, 1992) and *Documentation for Developing the Initial Source Category List, Final Report* (see EPA-450/3-91-030, July 1992), the Coke Oven Batteries (COB) source category includes emissions from the batteries themselves. The Pushing, Quenching, and Battery Stacks (PQBS) source category includes emissions from pushing and quenching operations, and from battery stacks at a coke oven facility. A coke oven facility is defined as a facility engaged in the manufacturing of metallurgical coke by the destructive distillation of coal. The 2022 North American Industry Classification System (NAICS) code for the COB source category (40 CFR part 63, subpart L) is 324199 for “All Other Petroleum and Coal Products Manufacturing,” and for the PQBS source category (40 CFR part 63, subpart CCCCC) is 331110 for “Iron and Steel Mills and Ferroalloy Manufacturing.” The information provided in this section is not intended to be exhaustive but rather provides a guide for readers regarding the entities that this action is likely to affect. The revised compliance dates are directly applicable to the affected sources. Federal, State, local, and Tribal government entities will not be affected by this interim final action. Based on the information we have, there are 11 operating coke manufacturing facilities subject to these national emission standards for hazardous air pollutants (NESHAP). If you have questions regarding the applicability of this action to a particular entity, consult the person listed in the **FOR FURTHER INFORMATION CONTACT** section.

C. Statutory Authority

Statutory authority to issue the amendments finalized in this action is provided by the same Clean Air Act (CAA) provisions that provided authority to issue the regulations that set the compliance deadlines being

amended in this action: CAA section 112, as amended (42 U.S.C. 7412). Statutory authority for the rulemaking procedures followed in this action is provided by Administrative Procedure Act (APA) section 553(b)(B), 5 U.S.C. 553(b)(B) (good cause exception to notice-and-comment rulemaking).

D. Judicial Review and Administrative Review

Under CAA section 307(b)(1), judicial review of this final action is available only by filing a petition for review in the United States Court of Appeals for the District of Columbia Circuit by September 8, 2025. Under CAA section 307(b)(2), the requirements established by this final rule may not be challenged separately in any civil or criminal proceedings brought by the EPA to enforce the requirements.

II. Regulatory Revisions

A. COB and PQBS NESHAPs Background and Summary

The COB NESHAP (40 CFR part 63, subpart L), promulgated on October 27, 1993, established standards for emissions from doors, lids, and offtakes at heat and/or nonrecovery (HNR) facilities and any new coke production process with by-product chemical recovery facilities. The PQBS NESHAP (40 CFR part 63, subpart CCCCC), promulgated on April 14, 2003, established emissions standards for pushing coke out of ovens, quenching hot coke, and battery stacks of oven combustion. The risk and technology review (RTR) for the 1993 COB NESHAP was completed on April 5, 2005. In the most recent action, finalized July 5, 2024, the EPA completed a periodic technology review for the COB NESHAP, and an RTR for the PQBS NESHAP, that resulted in amendments to these rules (89 FR 55684) (the “Coke Ovens rule”), which included: (1) maximum achievable control technology (MACT) standards to address previously unregulated emissions of hazardous air pollutants (HAP) from the PQBS source category pursuant to our interpretation of *Louisiana Environmental Action Network v. EPA*, 955 F.3d 1088 (D.C. Cir. 2020) (“LEAN”); and (2) revised emissions standards based on new information regarding developments in practices, processes, and control technologies pursuant to CAA section 112(d)(6).

Relevant to this action, the Coke Ovens rule finalized the following standards in the COB source category pursuant to CAA section 112(d)(6): (1) fenceline monitoring requirements; (2)

revised leak standards for doors, lids, and offtakes; and (3) revised pressure monitoring requirements for oven doors at HNR facilities. In addition, the Coke Ovens rule finalized the following standards to address previously unregulated HAP in the PQBS source category: (1) four new emission standards based on MACT for pushing operations: acid gases (AG),¹ hydrogen cyanide (HCN), mercury (Hg), and polycyclic aromatic hydrocarbons (PAH) (which is also a surrogate for dioxins and furans (D/F), formaldehyde, and volatile organic HAP (VOHAP)); (2) four new emission standards based on MACT for battery stacks: AG, HCN, Hg, and particulate matter (PM) (as a surrogate for non-Hg HAP metals); (3) four new emission standards based on MACT for HNR heat recovery steam generator (HRSG) main stacks: AG, Hg, PAH (which is also a surrogate for formaldehyde), and PM (as a surrogate for non-Hg HAP metals); (4) five new emission standards based on MACT for HNR bypass/waste heat (B/W) stacks: AG, formaldehyde (which is also a surrogate for VOHAP), Hg, PAH, and PM (as a surrogate for non-Hg HAP metals); and (5) a new MACT standard, in the form of a good combustion practices work practice standard, for PAH, D/F, and VOHAP emitted from battery stacks. Finally, pursuant to CAA section 112(d)(6), the Coke Ovens rule finalized opacity limits on HNR B/W stacks for the PQBS source category.

B. Petitions for Reconsideration

Following the issuance of the Coke Ovens rule, the American Coke and Coal Chemicals Institute (and the Coke Oven Environmental Task Force (COETF) that it manages), SunCoke Energy, and the United States Steel Corporation submitted petitions for reconsideration on September 3, 2024, detailing alleged errors, requesting corrections, and expressing concerns regarding the technical feasibility of certain new requirements and the timing of compliance.

On March 20, 2025, the EPA responded to the petitions for reconsideration, granting discretionary reconsideration on the following issues (the applicable NESHAP is listed in parentheses):

- Fenceline monitoring (COB NESHAP)
- MACT standards (PQBS NESHAP)
- Revised leak limits for doors, lids, and offtakes (COB NESHAP)

¹ Acid gases include hydrochloric acid (HCl) and hydrogen fluoride (HF).

- Achieving zero leaks from HNR oven doors (COB NESHP)²
- Opacity limits on HNR B/W stacks (PQBS NESHP)

1. Fenceline Monitoring

For fenceline monitoring, the EPA has identified two issues that warrant reconsideration:

- First, the COETF commented that the EPA should be using the actual fenceline boundary when setting the action level (instead of using the polar grid approach). In the final rule, according to the commenter, the EPA used receptors at the fenceline boundary to set the action level but did not include the receptor with the highest modeled benzene concentration. The EPA agrees that this had the potential to yield a lower action level than necessary and is thus granting reconsideration to reevaluate.

- Second, in the final rule, the EPA required that facilities must employ “appropriate real-time sampling techniques” (1) in their site-specific monitoring plans if they plan to account for proximate onsite sources of benzene emissions, and (2) to locate the cause of an action level exceedance if a root cause determination has not been made within 30 days. In their petition for reconsideration, the COETF argued that real-time monitors are not widely used in the cokemaking industry. They also argued that the Coke Ovens rule did not address multiple issues with real-time monitors, including the technical feasibility of locating and installing real-time monitors, the difficulty of using real-time benzene monitor data and the two-week average benzene monitor data at the fenceline to determine an appropriate delta c (the lowest concentration subtracted from the highest concentration), the complexity of using these monitors at coke facilities, and the cost of installing and operating monitors. The EPA agrees that evaluating these issues is necessary to assess whether the standards as finalized are feasible for sources to comply with and is thus granting reconsideration on appropriate real-time sampling techniques.

2. PQBS MACT Standards

For the MACT standards in the PQBS NESHP, the EPA has identified three issues that warrant reconsideration.

² Specifically, the EPA is reconsidering the requirement to both (1) achieve zero percent leaking oven doors as determined by EPA Method 303A; and (2) conduct pressure monitoring to ensure that the ovens are operated under a negative pressure. In the letter granting reconsideration, the EPA incorrectly labeled this issue as pertaining to the PQBS NESHP, when it actually applies to the COB NESHP.

First, petitioners indicated that there were several issues related to limited data. After the comment period, which closed on October 2, 2023, the COETF submitted the following documents to the EPA that provided additional information on the limited data issue:

- December 29, 2023, white paper from the COETF titled “Coke Ovens RTR Proposed Rule: White Paper on Proposed Standards” (hereafter referred to as the “Variability White Paper”);³
- April 2, 2024, white paper from Trinity Consultants (at the request of the COETF) titled “Intra-Mine Variability Factor for Mercury in Metallurgical Coals” (hereafter referred to as the “Trinity IMV Hg White Paper”);⁴ and
- May 3, 2024, white paper from Trinity Consultants (at the request of the COETF) titled “Upper Prediction Limit Calculations with Intra-Mine Variability Factor” (hereafter referred to as the “Trinity UPL IMV White Paper”).⁵

These white papers discussed the concept of intra-mine variability factors, which would account for the natural variability of mercury, fluorine, and chlorine within metallurgical coal when determining the MACT standards. The papers indicate that the amount of mercury within the coal has a direct impact on the amount of mercury emissions, and the amounts of fluorine and chlorine within the coal have direct impacts on the amounts of HF and HCl emissions, respectively. The COETF noted that similar “intra-quarry variability” factors had been applied by the EPA in other manufacturing industries (e.g., Portland cement, lime, and brick and structural clay products).

Second, in a March 22, 2024, email, the COETF requested that: (1) HCl be used as a surrogate for HF; and (2) a health-based emission limit (HBEL) be established for HCl (in lieu of a harder-to-meet MACT floor limit). The COETF asserted that HCl is a more appropriate surrogate for of the same reasons articulated in the final rule for the Integrated Iron and Steel source category, where the EPA stated that the “numerical standard for HCl being finalized in this rule shall act as a work practice (or surrogate) for HF, as control of HCl will also control HF” (89 FR 23310, October 9, 2024). The COETF also asserted that an HBEL is the most appropriate standard for HCl for the same reasons articulated in the EPA’s supplemental notice of proposed

rulemaking for the Lime Manufacturing source category, where the EPA proposed a mass-based HBEL for HCl in lieu of a technology-based limit (89 FR 9088, February 9, 2024). The EPA is reconsidering because the use of HCl as a surrogate for HF, as well as an HBEL for HCl, is potentially more appropriate than the AG MACT standards that were promulgated in the Coke Ovens rule.

Finally, the COETF stated in its petition for reconsideration that the EPA used a normal distribution for calculating the HCN limit for pushing emissions in the Coke Ovens rule when a lognormal distribution should have been used and that the use of the lognormal distribution would have raised the limit by a factor of three. Because of the potential magnitude of difference, the EPA is reconsidering the rule to reevaluate its calculations.

3. Leak Limits for Doors, Lids, and Offtakes

For leak limits for doors, lids, and offtakes, the EPA has identified two issues that warrant reconsideration:

- In their petition for reconsideration, the COETF pointed to text of the Coke Ovens rule where the EPA stated that it can “infer” from compliance data showing fewer leaking doors, lids, and offtakes that there are “improved work practices for observing leaks during operations, and more quickly and efficiently sealing and adjusting doors, or other practices related to door leaks.” The COETF asserts that: (1) there have been no changes or identified improvements in the leak control practices used in the industry; (2) the same leak control practices used by facilities today were in use and considered during development of the original MACT standards; and (3) there are no different or specialized work practices conducted at the one “large” coke plant that are not practiced at other coke plants. The EPA is reconsidering this aspect of the rule to evaluate these claims.

- The COETF also argued that the EPA improperly selected a 3 million tons per year (tpy) production capacity threshold to create a subcategory of one facility because there is only one such coke facility that exceeds 3 million tpy coke production, and no different or improved work practices exist that are unique to this facility. The COETF informed the EPA that the one “large” facility employs the same leak control practices used by the rest of the industry and commented that higher coke production capacity does not lead to lower leak rates. The EPA agrees that, if true, this information would impact the

³ See Docket ID Nos. EPA-HQ-OAR-2002-0085-1516 and EPA-HQ-OAR-2003-0051-1884.

⁴ See Docket ID Nos. EPA-HQ-OAR-2002-0085-1517 and EPA-HQ-OAR-2003-0051-1885.

⁵ See Docket ID Nos. EPA-HQ-OAR-2002-0085-1518 and EPA-HQ-OAR-2003-0051-1886.

appropriate threshold and is therefore reconsidering this portion.

4. Requirements for Oven Doors at HNR Facilities

For the requirements for oven doors at HNR facilities, the EPA has identified one issue that warrants reconsideration. In its petition for reconsideration, SunCoke argued that the Coke Ovens rule added redundant pressure monitoring requirements using EPA Method 303A that are unnecessary. Specifically, they raised the following concerns:

- Redundant monitoring using EPA Method 303A is not supported by the EPA's technology review;
- EPA Method 303A performance testing is unnecessary when operating coke ovens under negative pressure; and
- Redundant monitoring will not result in earlier detection of door leaks.

C. Compliance Challenges

The items identified for reconsideration in the response letter have compliance dates of July 7, 2025, or January 6, 2026, under the Coke Ovens rule. After further consideration of all the reconsideration issues, the parties' petitions for reconsideration, and further discussions with stakeholders, the EPA has determined that compliance challenges necessitate changes to the compliance dates for fenceline monitoring; the PQBS MACT standards; the leak limits for doors, lids, and offtakes; and the requirements for oven doors at HNR facilities to July 5, 2027. Although the EPA is reconsidering the opacity limits for HNR B/W stacks, we determined that the compliance date for this standard is feasible, so we are not revising the date in this action.

In March 2025, all companies operating cokemaking facilities in the U.S. requested extensions for the compliance dates in the final rule under CAA section 112(i)(3)(B). The EPA's Office of Enforcement and Compliance Assurance sent letters to three companies stating that they did not provide enough information to determine whether the compliance date extensions were warranted. Those letters have since been withdrawn. The specific compliance challenges posed by each of the requirements where we are revising the compliance dates are discussed as follows:

1. Fenceline Monitoring

Fenceline monitoring is used to determine the concentration of ground-level pollutants at the facility boundary. One potential source of those pollutants is leaks from doors, lids, and offtakes at

COBs. The limits for these leaks were revised in the Coke Ovens rule with a compliance date of July 7, 2025. In order to ensure compliance with the revised leak limits, facilities generally need to test current controls, evaluate which additional controls or reconfigurations are needed, secure permits, procure parts and services, install additional equipment, and perform testing on the new controls. Some of these processes can overlap, but some can only be performed sequentially, which the EPA agrees impacts sources' ability to comply within the current timeframe. Therefore, the EPA is revising the deadline to July 5, 2027, to allow sufficient time for the industry to comply given the unanticipated compliance problems and additional information noted earlier in this preamble.

2. PQBS MACT Standards

Petitioners indicated that 18 months is not enough time within which to comply with the PQBS MACT standards by the January 6, 2026, compliance date in the Coke Ovens rule. In their comments on the proposed rulemaking, the COETF requested a 3-year compliance schedule to "allow affected facilities the time needed to evaluate the need for additional emission controls and to assess feasibility and technical risks, design, engineer, procure and install the new equipment before compliance is required."⁶ During a post-comment period meeting on February 6, 2024,⁷ the EPA requested that the COETF provide additional information supporting the need for a 3-year compliance schedule. The COETF submitted this information to the EPA on February 9, 2024 (hereafter referred to as the "Compliance Concerns White Paper").⁸ The Compliance Concerns White Paper provided examples for several units where the MACT emissions standards would likely be exceeded, and it also asserted the following concerns:

- Controlling multiple pollutants and retrofitting controls into existing operations add complexity and time due to interactions in the requirements for control, including pollutant interactions, flow rates, chemistry, and temperatures;

⁶ The COETF also stated that retrofitting new equipment into a facility with already limited space available for the new equipment can require complex mechanical designs that are especially time-consuming.

⁷ As previously mentioned, the public comment period for this rule closed on October 2, 2023.

⁸ See Docket ID Nos. EPA-HQ-OAR-2002-0085-1514 and EPA-HQ-OAR-2003-0051-1882.

- Control technologies for HCN are not technically feasible in the industry; and

- Extensive engineering and physical modifications will be needed for add-on controls, and additional controls would require permitting from the local permitting agency, with permitting taking 6 to 12 months after engineering is completed.

In the Coke Ovens rule, the EPA stated that "... based on the data submitted to the EPA by the industry, all facilities should be able to meet the MACT floor limits developed for the previously unregulated HAP and unregulated sources of HAP without the installation of additional controls" (89 FR 55710, July 5, 2024). However, the information provided after the close of comments in the Compliance Concerns White Paper and in SunCoke's petition for reconsideration—which stated that it has exceeded the limits and provided additional data and information—demonstrates that additional controls may indeed be necessary and/or that operational changes may be required if a facility exceeds the standards that have not been evaluated and that bear on sources' ability to comply with the 18-month schedule in the Coke Ovens rule. This demonstrates that the original timelines in the Coke Oven rule may be infeasible for sources to adhere to, which provides compelling reason for the EPA to revise the deadlines.

Below is a list of the steps petitioners indicated are required to implement additional controls and the amount of time they assert is required for each step:⁹

- Step 1: Test current controls—at least 1 year to complete.
- Step 2: Determine what additional controls will be needed, along with any facility re-designs, monitoring equipment, and software upgrades—at least 1 year to complete.
- Step 3: Secure vendors, as needed, for additional controls, facility re-designs, monitoring equipment, and software upgrades—at least 1 year to complete.
- Step 4: Secure a new permit—at least 6 months to complete. For Title V sources, construction and testing of new air pollution control equipment cannot start until a permit is issued.
- Step 5: Order controls and equipment; book services—at least 1 year to complete.
- Step 6: Re-design the facility (if needed) and install new controls and equipment—at least 1 year to complete.

⁹ See email from D. Ailor, COETF, to J. Witt, EPA OAQPS (May 22, 2025), available in the dockets for this rulemaking.

- Step 7: Test new controls, equipment, and software—at least 6 months to complete.

For all the foregoing reasons, it is infeasible for facilities to meet the PQBS MACT standards within 18 months. Therefore, the EPA is revising the deadlines for these standards to July 5, 2027, to allow sufficient time for the industry to comply with the standards.

3. Leak Limits for Doors, Lids, and Offtakes

The COETF indicated that 1 year is not enough time within which to comply with the revised leak limits for doors, lids, and offtakes by the July 7, 2025, deadline. In the Compliance Concerns White Paper, the COETF explained why 3 years are needed to comply with the limits, including:

- The revised limits are based on limited data. In the Variability White Paper, the COETF stated that the annual average leak rate data used in the proposed rule did not reflect raw material, meteorological, and process variability. Therefore, there is uncertainty as to whether the revised limits can be achieved on a consistent basis, and whether additional investments would be needed in order to ensure compliance, which would take additional time.

- Additional time is needed to research and trial new methods and technologies for meeting the limits, and time is needed to engineer, procure, fabricate, deliver, and install any new technologies or materials that would be needed to meet the limits.

- Replacing door machines and rebuilding or replacing oven doors may be necessary to reduce door leaks. The lead time to engineer, procure, fabricate, deliver, and install 2 new door machines is 5 to 6 years, and the lead time to rebuild or replace oven doors on a typical battery with 82 doors is up to 3 years to engineer, procure, fabricate, and install.

- The only method that the COETF has identified for reducing offtake leaks is replacing or redesigning offtake components. The lead time to engineer, procure, fabricate, and install replacement offtake components on a typical battery is at least 2 to 3 years.

For all the foregoing reasons, it is infeasible for facilities to meet the revised leak limits for doors, lids, and offtakes within 1 year. Therefore, the EPA is revising the deadlines for these standards to July 5, 2027, to allow sufficient time for the industry to comply with the standards. This extension is appropriately tied to the timeline considerations above (all of

which indicate two to three years is required for compliance).

4. Requirements for Oven Doors at HNR Facilities

SunCoke—the only coke oven facility currently operating HNR facilities—stated that it cannot comply with the revised pressure monitoring requirements for oven doors at HNR facilities until the monitoring procedures outlined in the final rule preamble and the regulatory text (89 FR 55735, July 5, 2024) are clarified.

Specifically, the company needs to know who is responsible for generating the performance testing the facility must use to calculate leak averages, the methodology and frequency of monitoring, and more specific information on applicability to the facility of the requirements for certain plant components that the facility does not have. Once the procedure has been clarified, SunCoke has stated that it can comply with the requirements within 1 year. The EPA expects to take final action to clarify procedures for pressure monitoring by June 2026. Therefore, the EPA is revising the deadline for these standards to July 5, 2027, currently July 7, 2025, which is appropriately tailored to this timeline.

D. Specific Regulatory Revisions

The regulatory revisions to 40 CFR part 63, subparts L and CCCCC in this action are amending the following sections to revise the relevant compliance deadlines associated with these standards to July 5, 2027:

- 40 CFR 63.302 by revising paragraphs (a)(4) introductory text and (d) introductory text;
- 40 CFR 63.303 by revising paragraphs (a)(1)(iii) and (b)(1)(iii);
- 40 CFR 63.304 by revising paragraph (b)(8) introductory text;
- 40 CFR 63.311 by revising paragraph (h);
- 40 CFR 63.314 introductory text;
- 40 CFR 63.7283 by revising paragraphs (d)(1) and (d)(2);
- 40 CFR 63.7300 by revising paragraph (c)(4) introductory text; and
- 40 CFR 63.7341 by revising paragraph (f).

III. Rulemaking Procedures

As noted in section I.C. of this preamble, the EPA's authority for the rulemaking procedures followed in this action is provided by APA section 553.¹⁰ In general, an agency issuing a

¹⁰ Under CAA section 307(d)(1)(C), the EPA's promulgation or revision of any standard of performance under CAA section 112 would normally be subject to the rulemaking procedural requirements of CAA section 307(d), including

rule under the procedures in APA section 553 must provide prior notice and an opportunity for public comment, but APA section 553(b)(B) permits an agency to forego this requirement “when the agency for good cause finds (and incorporates the finding and a brief statement of reasons, therefore, in the rule issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.” This action is being issued without prior notice or prior opportunity for public comment because the EPA finds good cause that prior notice and comment would be impracticable under the circumstances.

For the reasons described in detail in section II of this preamble, the EPA finds that prior notice and comment is impracticable here. The EPA has recognized that the original July 2025 and January 2026 compliance deadlines in the Coke Ovens rule are infeasible for regulated parties to meet and therefore must be extended. If the EPA were to seek, evaluate, and respond to comments before finalizing the deadline revisions, it is highly unlikely that the Agency would be able to finalize this action before the July 2025 and January 2026 compliance deadlines, thereby potentially throwing regulated parties into immediate non-compliance. Thus, there is good cause to forego notice and comment to extend the compliance deadlines to July 2027.

In addition to good cause under APA section 553(b)(B) to exempt this action from notice-and-comment requirements, there is also good cause to make this rule effective immediately under APA section 553(d)(1), which provides that the default 30-day effective date can be waived for “a substantive rule which grants or recognizes an exemption or relieves a restriction.” This action relieves restrictions by extending the Coke Ovens rule's 2025 and 2026 compliance deadlines.

IV. Request for Comment

As explained in section III of this preamble, the EPA finds good cause to take this interim final action on compliance deadlines without prior notice or opportunity for public comment. However, the EPA is providing an opportunity for and is requesting comment on the content of the matters described in this action that the EPA determined warrant consideration. The EPA is not reopening for comment any provisions of the Coke

notice-and-comment procedures, but CAA section 307(d) does not apply “in the case of any rule or circumstance referred to in subparagraphs (A) or (B) of [APA section 553(b)].”

Ovens rule other than the specific provisions that are expressly under reconsideration as described in this interim final rule.

V. 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 and Executive Order 13563: Improving Regulation and Regulatory Review

This action is not an economically significant regulatory action as defined in Executive Order 12866 and is

therefore not subject to a requirement for Executive Order 12866 review. This interim final rule is expected to result in cost savings due to revised compliance deadlines associated with the PQBS MACT standards and the fenceline monitoring requirements under the July 5, 2024, final rule. The EPA prepared an Economic Impact Analysis (EIA) of the potential cost savings and other economic impacts associated with this action. This analysis, *Economic Impact Analysis for the National Emission Standards for Hazardous Air Pollutants for Coke Ovens: Pushing, Quenching, and Battery Stacks, and Coke Oven Batteries; Residual Risk and Technology Review*,

and Periodic Technology Review: Interim Final Rule, is available in the dockets for this rulemaking.

Table 1 summarizes the estimated changes to compliance costs associated with this interim final action. Costs are measured in 2024 dollars discounted to 2025. This table presents the present values (PV) and equivalent annualized values (EAV) of these estimated impacts discounted using social discount rates of both three and seven percent, in accordance with OMB Circular A–4. The EPA estimates that the interim final rule will result in annualized compliance cost savings of \$4.2 million using a 3% social discount rate and \$4.4 million using a 7% social discount rate.

TABLE 1—SUMMARY OF COMPLIANCE COST SAVINGS FOR THE INTERIM FINAL RULE, DISCOUNTED TO 2025
[Millions of 2024 dollars]

	3 Percent discount rate		7 Percent discount rate	
	PV	EAV	PV	EAV
Compliance Cost Savings	\$8.1	\$4.2	\$7.9	\$4.4

Note: Estimates are rounded to two significant figures.

B. Executive Order 14192: Unleashing Prosperity Through Deregulation

This action is considered an Executive order 14192 deregulatory action. Details on the estimated compliance cost savings of this final rule can be found in the EPA's analysis of the potential costs associated with this action. This analysis is contained in the EIA, which is available in the dockets for this rulemaking.

C. Paperwork Reduction Act (PRA)

This action does not impose any new information collection burden under the PRA. The Office of Management and Budget (OMB) has previously approved the information collection activities that apply to the coke oven facilities affected by this action and has assigned OMB control numbers 2060–0253 (COB NESHAP) and 2060–0521 (PQBS NESHAP). This action does not change the information collection requirements.

D. Regulatory Flexibility Act (RFA)

I certify that this action will not have a significant economic impact on a substantial number of small entities under the RFA. This action will not impose any requirements on small entities. There are no small entities in this regulated industry. Additional details of the analysis can be found in the EIA, which is available in the dockets for this rulemaking.

E. Unfunded Mandates Reform Act of 1995 (UMRA)

This action does not contain an unfunded mandate of \$100 million or more 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.

F. Executive Order 13132: Federalism

This action does not have federalism implications. 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.

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

This action does not have Tribal implications as specified in Executive Order 13175. This rule will implement revisions to the compliance dates for certain provisions. Thus, Executive Order 13175 does not apply to this action.

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

Executive Order 13045 directs Federal agencies to include an evaluation of the health and safety effects of the planned

regulation on children in Federal health and safety standards and explain why the regulation is preferable to potentially effective and reasonably feasible alternatives. This action is not subject to Executive Order 13045 because it is not a significant regulatory action under section 3(f)(1) of Executive Order 12866, and because the EPA does not believe the environmental health or safety risks addressed by this action present a disproportionate risk to children.

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

This action is not subject to Executive Order 13211, because it is not a significant regulatory action under Executive Order 12866.

J. National Technology Transfer and Advancement Act (NTTAA)

This action does not involve technical standards; therefore, the NTTAA does not apply.

K. Congressional Review Act (CRA)

This action is subject to the CRA, 5 U.S.C. 801–808, and the EPA will submit a rule report to each House of the Congress and to the Comptroller General of the United States. The CRA allows the issuing agency to make a rule effective sooner than otherwise provided by the CRA if the agency makes a good cause finding that notice-

and-comment rulemaking procedures are impracticable, unnecessary, or contrary to the public interest (5 U.S.C. 808(2)). The EPA has made a good cause finding for this rule as discussed in section III of this preamble, including the basis for that finding.

List of Subjects in 40 CFR Part 63

Environmental protection, Administrative practice and procedures, Air pollution control, Hazardous substances, Reporting and recordkeeping requirements.

Lee Zeldin,

Administrator.

For the reasons stated in the preamble, the Environmental Protection Agency amends part 63 of title 40, chapter I, of the Code of Federal Regulations as follows:

PART 63—NATIONAL EMISSION STANDARDS FOR HAZARDOUS AIR POLLUTANTS FOR SOURCE CATEGORIES

■ 1. The authority citation for part 63 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

Subpart L—National Emission Standards for Coke Oven Batteries

■ 2. Amend § 63.302 by revising paragraphs (a)(4) introductory text and (d) introductory text to read as follows:

§ 63.302 Standards for by-product coke oven batteries.

(a) * * *
(4) On and after July 5, 2027:
* * * * *

(d) Emission limitations and requirements applied to each coke oven battery utilizing a new recovery technology shall be less than the following emission limitations or shall result in an overall annual emissions rate for coke oven emissions for the battery that is lower than that obtained by the following emission limitations on and after July 5, 2027:
* * * * *

■ 3. Amend § 63.303 by revising paragraphs (a)(1)(iii) and (b)(1)(iii) to read as follows:

§ 63.303 Standards for nonrecovery coke oven batteries.

(a) * * *
(1) * * *
(iii) The date for compliance with (a)(1)(i) and (ii) of this section is on and after July 5, 2027.
* * * * *
(b) * * *
(1) * * *

(iii) The date for compliance with (b)(1)(i) and (ii) of this section is on and after July 5, 2027, or upon initial startup, whichever is later.
* * * * *

■ 4. Amend § 63.304 by revising paragraph (b)(8) introductory text to read as follows:

§ 63.304 Standards for compliance date extension.

(b) * * *
(8) On and after July 5, 2027:
* * * * *

■ 5. Amend § 63.311 by revising paragraph (h) to read as follows:

§ 63.311 Reporting and recordkeeping requirements.

(h) *Electronic reporting of compliance certification reports.* Beginning on July 5, 2027, or once the report template for this subpart has been available on the EPA's Compliance and Emissions Data Reporting Interface (CEDRI) website for one year, whichever date is later, submit all subsequent reports to the EPA via the CEDRI according to § 63.9(k) except that confidential business information (CBI) should be submitted according to paragraph (k) of this section.
* * * * *

■ 6. Amend § 63.314 by revising the introductory text to read as follows:

§ 63.314 Fenceline monitoring provisions.

For each by-product coke oven battery facility as defined in § 63.301 of this subpart, beginning no later than July 5, 2027, the owner or operator of a coke manufacturing facility shall conduct sampling along the facility property boundary and analyze the samples in accordance with paragraphs (a) through (g) of this section.
* * * * *

Subpart CCCCC—National Emission Standards for Hazardous Air Pollutants for Coke Ovens: Pushing, Quenching, and Battery Stacks

■ 7. Amend § 63.7283 by revising paragraphs (d)(1) and (2) to read as follows:

§ 63.7283 When do I have to comply with this subpart?

(d) * * *
(1) If you have an existing affected source or a new or reconstructed affected source for which construction or reconstruction commenced on or before August 16, 2023, you must be in compliance no later than July 5, 2027.

(2) If you have a new or reconstructed affected source for which construction or reconstruction commenced after August 16, 2023, you must be in compliance no later than July 5, 2027, or upon startup, whichever is later.
* * * * *

■ 8. Amend § 63.7300 by revising paragraph (c)(4) introductory text to read as follows:

§ 63.7300 What are my operation and maintenance requirements?

(c) * * *
(4) Beginning July 5, 2027, you must identify and implement a set of site-specific good combustion practices for each battery. These good combustion practices should correspond to your standard operating procedures for maintaining the proper and efficient combustion within battery waste heat flues. Good combustion practices include, but are not limited to, the elements listed in paragraphs (c)(4)(i) through (v) of this section.
* * * * *

■ 9. Amend § 63.7341 by revising paragraph (f) to read as follows:

§ 63.7341 What reports must I submit and when?

(f) *Electronic reporting of compliance reports.* Beginning on July 5, 2027, or once the report template for this subpart has been available on the CEDRI website for one year, whichever date is later, submit all subsequent reports to the EPA via the CEDRI according to § 63.9(k) except that confidential business information (CBI) should be submitted according to paragraph (h) of this section.
* * * * *

[FR Doc. 2025–12626 Filed 7–3–25; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

50 CFR Part 17

[Docket No. FWS–R4–ES–2019–0081; FXES1113090000–234–FF09E22000]RIN 1018–BD95

Endangered and Threatened Wildlife and Plants; Removal of the Dwarf-flowered Heartleaf From the List of Endangered and Threatened Plants

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Final rule.

SUMMARY: We, the U.S. Fish and Wildlife Service (Service), are removing the dwarf-flowered heartleaf (*Hexastylis naniflora*) from the Federal List of Endangered and Threatened Plants. After a review of the best available scientific and commercial information, we find that delisting the species is warranted. Our review indicates that the threats to the dwarf-flowered heartleaf have been eliminated or reduced to the point that the species no longer meets the definition of an endangered or threatened species under the Endangered Species Act of 1973, as amended (Act). Accordingly, the prohibitions and conservation measures provided by the Act, particularly through sections 4 and 7, will no longer apply to the dwarf-flowered heartleaf.

DATES: This rule is effective August 7, 2025.

ADDRESSES: This final rule is available on the internet at <https://www.regulations.gov>. Comments and materials we received are available for public inspection at <https://www.regulations.gov> under Docket No. FWS-R4-ES-2019-0081.

Availability of supporting materials: This rule and supporting documents, including the proposed rule, post-delisting monitoring plan, and the species status assessment (SSA) report, are available at <https://www.regulations.gov> under Docket No. FWS-R4-ES-2019-0081.

FOR FURTHER INFORMATION CONTACT: Janet Mizzi, Field Supervisor, U.S. Fish and Wildlife Service, Asheville Ecological Services Field Office; janet_mizzi@fws.gov; telephone 828-258-3939. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of contact in the United States.

SUPPLEMENTARY INFORMATION:

Executive Summary

Why we need to publish a rule. Under the Act, a species warrants removal from the Federal Lists of Endangered and Threatened Wildlife and Plants if it no longer meets the definition of an endangered species (in danger of extinction throughout all or a significant portion of its range) or a threatened species (likely to become an endangered species within the foreseeable future throughout all or a significant portion of its range). The dwarf-flowered heartleaf is listed as threatened, and we are

delisting it because we have determined it does not meet the Act's definition of an endangered or threatened species. Delisting a species can be completed only by issuing a rule through the Administrative Procedure Act rulemaking process (5 U.S.C. 551 *et seq.*).

What this document does. This rule removes the dwarf-flowered heartleaf from the Federal List of Endangered and Threatened Plants based on the species' recovery.

The basis for our action. Under the Act, we may determine that a species is an endangered species or a threatened species because of any of five factors: (A) The present or threatened destruction, modification, or curtailment of its habitat or range; (B) overutilization for commercial, recreational, scientific, or educational purposes; (C) disease or predation; (D) the inadequacy of existing regulatory mechanisms; or (E) other natural or manmade factors affecting its continued existence. The determination to delist a species must be based on an analysis of the same factors.

Under the Act, we must review the status of all listed species at least once every 5 years. We must delist a species if we determine, on the basis of the best available scientific and commercial data, that the species is neither a threatened species nor an endangered species. Our regulations at 50 CFR 424.11(e) identify four reasons why we might determine a species shall be delisted: (1) The species is extinct, (2) the species has recovered to the point at which it no longer meets the definition of an endangered species or a threatened species, (3) new information that has become available since the original listing decision shows the listed entity does not meet the definition of an endangered species or a threatened species, or (4) new information that has become available since the original listing decision shows the listed entity does not meet the definition of a species. Here, we have determined that the dwarf-flowered heartleaf has recovered to the point at which it no longer meets the definition of an endangered species or a threatened species; therefore, we are delisting it.

Previous Federal Actions

Please refer to the proposed rule to delist the dwarf-flowered heartleaf published on April 26, 2021 (86 FR 21994), for a detailed description of previous Federal actions concerning this species.

Peer Review

A species status assessment (SSA) team prepared an SSA report for the dwarf-flowered heartleaf. The SSA team was composed of Service biologists, in consultation with other species experts. The SSA report represents a compilation of the best scientific and commercial data available concerning the status of the species, including the impact of past, present, and future factors (both negative and beneficial) affecting the species.

In accordance with our joint policy on peer review published in the **Federal Register** on July 1, 1994 (59 FR 34270), and our August 22, 2016, memorandum updating and clarifying the role of peer review in listing and recovery actions under the Act, we solicited independent scientific review of the information contained in the dwarf-flowered heartleaf SSA report. As discussed in the proposed rule, we sent the SSA report to seven independent peer reviewers and received no responses.

Summary of Changes from the Proposed Rule

In this final rule, we make no substantive changes to our April 26, 2021 (86 FR 21994), proposed rule. Minor, non-substantive changes have been made throughout this final rule.

Summary of Comments and Recommendations

In the proposed rule published on April 26, 2021 (86 FR 21994), we requested that all interested parties submit written comments on the proposal by June 25, 2021. We also contacted appropriate Federal and State agencies, Tribal entities, scientific experts and organizations, and other interested parties and invited them to comment on the proposal. Newspaper notices inviting general public comment were published in the Charlotte Observer and the Spartanburg Herald Journal. We did not receive any requests for a public hearing. All substantive information received during the comment period has either been incorporated directly into this final determination or is addressed below.

State Agency Comments

(1) *Comment:* The South Carolina Department of Natural Resources (SCDNR) commented that delisting dwarf-flowered heartleaf is premature. The SCDNR found that the SSA report presented: (1) flawed data on the number of populations and range, in part because of ongoing taxonomic research, but also because there are no recent observations of 41 (34 percent) of the reported 119 populations; and (2)

insufficient consideration of future threats in a rapidly growing development area of South Carolina.

Our Response: Based on North Carolina Natural Heritage Program (NCNHP) and South Carolina Heritage Trust Program data, the species consists of 119 populations distributed across 13 counties in North and South Carolina. The total number of populations was derived from element occurrence (E.O.) data from the Natural Heritage Programs (NHP). NHPs collect information on occurrences of rare plants, animals, natural communities, and animal assemblages. Collectively, these are referred to as “elements of natural diversity” or simply as “elements.” Specific occurrences of the elements are referred to as “element occurrences”. For our analysis, we used population size as the main driver of population resilience. E.O. data included a wide range of years since the species was last observed at a given location (1964–2017), although recent data and reports indicate the species consists of 119 populations, some of that data is outdated. For the purposes of this analysis, we only used EOs that were observed since 2005. We did this for several reasons. First, we did not want to assume a population was still present if it had not been observed recently. Second, we wanted to be consistent in what we considered “current” for both categorizing resilience and use in the habitat model. Third, experts concurred that records as old as 12 years are still likely to persist (number of years between 2005 and the SSA). Finally, there was a natural data break in 2005, coinciding with the year the last 5-year review was initiated. It is important to note that many of the populations that were excluded from the analysis may still persist on the landscape. In fact, many EOs for this species have persisted for decades, despite not having intervening surveys to confirm their persistence. Based on the exclusion of pre-2005 EOs, we considered a conservative estimate of 78 populations distributed across the range of dwarf-flowered heartleaf, although this may be an underestimate as discussed above. We therefore used the best available scientific and commercial data in our analyses.

With regard to any ongoing taxonomic research, any information related to a taxonomic change is unpublished, and a new species has not yet been described. Surveys conducted and reports completed by Appalachian State University, referenced by SCDNR, were considered, and are cited in the SSA report. An update to these studies has not been provided. The Act requires the

use of the best available scientific and commercial information, but if that information is not available, it cannot be incorporated into decision analyses or rules.

Our implementing regulations provide further guidance on whether a particular taxon or population is a species or subspecies for the purposes of the Act; under 50 CFR 424.11(a), the Service shall rely on standard taxonomic distinctions and the biological expertise of the Department of the Interior and the scientific community in determining whether a particular taxon or population is a species for the purpose of the Act. For our analysis, we assumed all EOs are dwarf-flowered heartleaf (*Hexastylis naniflora*), which represents the best currently available scientific and commercial data.

In response to the concern about potential future development in South Carolina, our level of analysis for urbanization was consistent throughout the range, and North Carolina and South Carolina were included in the same analysis using the same standard data. We used Slope, Land cover, Exclusion, Urbanization, Transportation, and Hillshade (SLEUTH) data which incorporates the most recently available information. We used three scenarios, projected out to the year 2040, to capture the uncertainty related to the potential impacts to each population’s resiliency: status quo, targeted conservation, and high development. Results of future projections within each scenario are focused on current populations and potential habitat identified by the maximum entropy (Maxent) model. Based on the life span of the species, expert input, identification of development as the key risk factor brought forward, uncertainty about future conditions, and lack of knowledge about where additional populations may persist on the landscape, we chose to project populations out to the year 2040 under each scenario. We therefore thoroughly considered future threats of development in our SSA report.

Public Comments

We reviewed all public comments for substantive issues and new information regarding the species. Substantive comments we received during the comment period are addressed below.

(2) *Comment:* One commenter indicated that the dwarf-flowered heartleaf does not compete well with disturbance caused by deforestation and suburbanization, yet many of the known populations are facing encroaching development. Based upon unpublished

data, the commenter suggested that the decision to delist dwarf-flowered heartleaf should be postponed for 2 years to allow the biodiversity community to assess current knowledge. The commenter stated that delisting now would increase the likelihood that certain areas would be developed, and these habitats would be lost to any future efforts to conserve the species and their genetic diversity.

Our Response: We are unable to delay our decision for 2 years because we are required to make our determination whether a species meets the definition of an endangered species or a threatened species based on the best scientific and commercial data available at the time of our rulemaking. Delisting a species does not prevent continued research on a species, and all delisted species, including dwarf-flowered heartleaf, are required to have a post-delisting monitoring (PDM) plan. The PDM plan is used to verify that the dwarf-flowered heartleaf remains secure from the risk of extinction after delisting. The PDM plan was developed to ensure consistent reporting and as a coordinating mechanism with conservation land entities.

In response to the commenter’s concerns about development, we included our analysis of dwarf-flowered heartleaf viability from the SSA report in the proposed rule. Our analysis included habitat change related to development, and we used projections of urban development to assess this threat. Because impacts of urbanization are multi-faceted and uncertain, we used three future scenarios to capture potential impacts to species resiliency (status quo, targeted conservation, and high development). Results of future projections within each scenario were focused on current populations and potential habitat identified by a Maxent model.

We used SLEUTH models to identify areas of urbanization in 2040. Urban development was predicted to have negative impacts on several current populations under all future scenarios. However, any extirpation or loss of resiliency within individual populations was offset by populations found to persist in the status quo and targeted conservation scenarios. In the high development scenario, there was a predicted loss of 6 populations (78 populations currently compared with 72 populations in 2040), with resiliency loss in several additional populations. Regardless of scenario, the majority of the populations expected to persist on the landscape in 2040 were of at least moderate resiliency. Furthermore, given the relatively high number of

populations in at least moderate resiliency across each scenario, redundancy remained similar to current conditions. Therefore, there appears to be adequate resiliency and redundancy within the range of dwarf-flowered heartleaf to withstand the impacts of urbanization into the foreseeable future.

The overwhelming majority of dwarf-flowered heartleaf populations have been discovered as a direct result of surveys conducted to ensure compliance with the Act. We prepared the PDM plan, with input from the NCNHP and the North Carolina Department of Transportation (NCDOT), based largely on monitoring methods developed in March 2012 during a field coordination meeting (Robinson and Padgett 2016, entire). This plan is designed to detect substantial declines in dwarf-flowered heartleaf occurrences with reasonable certainty and precision. Dwarf-flowered heartleaf occurs mainly on private lands with a few populations on public lands. NCNHP and NCDOT have monitored 25 of the largest populations for at least 5 years to collect baseline data (Service 2019, entire). As staff resources and funding allow, we expect that current efforts to monitor and manage lands containing populations of dwarf-flowered heartleaf will continue. The final PDM plan for the species can be found at <https://www.regulations.gov> under Docket No. FWS-R4-ES-2019-0081.

(3) *Comment:* One commenter stated the Service should not delist the dwarf-flowered heartleaf because it is a narrow endemic species found only on a few soil types, soils that occur along streams, in bogs, and on low bluffs.

Our Response: Narrow endemism, by itself, is not a basis for determining that a species meets the definition of an endangered species or a threatened species. Our analysis of the best available scientific and commercial data indicate that the dwarf-flowered heartleaf does not meet the definition of either an endangered species or a threatened species. There has been a nearly four-fold increase in the number of known populations since listing and the two prominent threats identified—*invasive, exotic species and habitat loss or destruction*—are not as significant as originally thought. Despite the limited range of this species, threats have been eliminated or reduced to the point that the dwarf-flowered heartleaf no longer meets the definition of a threatened species or endangered species under the Act.

(4) *Comment:* One commenter indicated that there have been suggestions that this species should be lumped with *Hexastylis heterophylla*

and perhaps *H. virginiana*. This classification would artificially broaden its range while dismissing population differences. It would make this species appear to be no longer threatened. The cluster of closely related species is what would be expected when populations have been isolated into groupings that no longer share a gene pool. In this isolation, populations mutate, and a process of speciation begins. It is the commenter's understanding that a recent study has indicated that *Hexastylis naniflora* is in fact limited in range to South Carolina and a southern portion of North Carolina and that the plants in other North Carolina counties are in fact a different species. The delisting proposal relies heavily upon the existence of populations of the other species and protected populations of the other species.

Our Response: Dwarf-flowered heartleaf was described by Blomquist (1957, entire) in his revision of the North American members of the genus *Hexastylis*. The dwarf-flowered heartleaf has been recognized as part of the Virginica group, and this group was further subdivided into three subgroups or complexes: Virginica, Shuttleworthii, and Heterophylla (Blomquist 1957, pp. 8:255–281; Whittemore and Gaddy 1997, pp. 3:54–58). Three species have been recognized in the Heterophylla complex, *Hexastylis naniflora*, *H. heterophylla*, and *H. minor*; and field biologists have generally recognized that considerable morphological overlap occurs (Murrell et al. 2007, entire). Our analysis only included EOs identified as *H. naniflora* and did not consider grouping the species with any others in the Virginica group, subgroups, or complexes. Thus, contrary to the commenter's statement, our determination to delist the species was based only on EOs identified as *H. naniflora*. Analyses on ecology, morphology, soil chemistry, pollen, and molecular genetics have been evaluated for *Hexastylis naniflora* to determine the boundaries within the Heterophylla complex (Murrell 2015, entire; Wagner 2013, entire; Niedenberger 2010, entire; Service 2010 p. 10; Murrell et al. 2007, entire; Padgett 2004, entire). These analyses support the continued recognition of these taxa as well-defined, discrete species. The Service relies on standard taxonomic distinctions and the scientific community in determining whether a particular taxon or population is a species of the Act.

(5) *Comment:* One commenter stated that delisting this species is contrary to the Act, does not acknowledge the substantial threats to the continued

existence of this species, ignores existing science, and fails to obtain additional evidence needed to determine what action should be taken with respect to the listing of the species. This commenter further stated that contrary to the clear requirements of the Act, it appears that the proposal to delist dwarf-flowered heartleaf was the result of the U.S. Fish and Wildlife Service Southeast Region emphasis on removal of protections for the species. This commenter referred to a 2017 Southeast Region goal to delist, downlist, or preclude the need for listing of 30 species per year as a quota system that incentivizes decisions on species status based on meeting arbitrary objectives, rather than evaluating a species' status based on the best available science as required under the Act. This commenter also stated that the best available scientific evidence is not a part of the Service's analysis or proposal, and that the Service has not initiated studies to determine the genetics of the populations.

Our Response: The NCNHP assessed threats to populations of dwarf-flowered heartleaf they monitored from 2012–2016 (Robinson and Padgett 2016, pp. 7–8, 17–20). Threats that were observed, inferred, or suspected to have an impact on populations were recorded and assigned a ranking based on their severity, scope, and immediacy from field observations. The rank (A to G) for each threat factor determined an overall value for each threat observed at each population. Threats observed during these years included development, incompatible forestry practices, agriculture, trampling, invasive exotic species, sedimentation, erosion, and road construction. Despite threats observed in many of the populations surveyed, several of the populations appeared to be stable during the 5-year survey period and no significant changes in threats within populations were noted between 2012 and 2016. The SSA incorporated the best available scientific and commercial data to characterize viability as the ability of a species to sustain populations in the wild over time. We utilized this information to inform our decision in the proposed rule and in this final rule.

Since 2012, when our Ecological Services program in the Southeast Region initiated its At-Risk Species initiative, we have placed an increased emphasis on recovering species listed as threatened and endangered under the Act and preventing the need to list at-risk species through collaborative conservation. Our goal was to conserve 30 species by implementing proactive conservation actions that result in

downlisting or delisting species under the Act or precluding the need to list these species under the Act. While the Southeast Region no longer uses this specific metric as its goal, we continue to work cooperatively with partners to recover species. In accordance with the Act, all of our decisions are based on the best available scientific and commercial data.

The determination to delist the dwarf-flowered heartleaf is based on a thorough review of the best available scientific and commercial data, which indicate that the threats to the species have been eliminated or reduced to the point that the species no longer meets the definition of a threatened species or endangered species under the Act.

(6) *Comment:* One commenter stated that removing dwarf-flowered heartleaf from the protections of the Act will have an increased impact on the plant in Greenville County, South Carolina. This commenter stated that currently, under Greenville County's land development regulations, the County Planning Commission and its staff reject or require modifications of subdivision plans that impact rare plants and their habitat. Last year, the commission rejected a proposed development on Enoree Road in Travelers Rest which would have been built over dwarf-flowered heartleaf and its habitat. They noted that listing of this species was essential to protecting those plants.

Our Response: In the SSA report, urban development was predicted to have negative impacts on several of the current populations under all of our future scenarios. However, this loss of resilience and extirpation of several populations was offset by the fact that several populations were found to persist in the status quo and targeted conservation scenarios. In the high development scenario, there was a predicted loss of six populations, with loss of resilience in several additional populations. Regardless of the scenario, the majority of the populations on the landscape in 2040 exhibit high or moderate resilience.

(7) *Comment:* The commenter expressed concern about the growing impacts of climate change. These plants are in wet forests, near waterbodies, and sometimes at the base of mature trees. The commenter noted that changing climate will affect rain patterns, hydrology, and forests. The commenter expressed concern that dwarf-flowered heartleaf does not spread rapidly or grow rapidly, and are not well suited to deal with changes in their environment or their forests. The commenter further noted recent extended droughts, and a bad drought across the region would

have very negative consequences for this species.

Our Response: We considered the effects of increased drought in our future scenarios, and the SSA identified the effects are likely related to changes in soil moisture associated with potential increases in drought. The broadened range (from 8 to 13 counties) and significantly increased numbers of populations (24 to 78) since listing in 1989 contribute to the species' redundancy and resiliency that we find to be sufficient to withstand perturbations from the potential increases in drought in the foreseeable future.

Background

A thorough review of the taxonomy, life history, ecology, and overall viability of the dwarf-flowered heartleaf is presented in the SSA report on <https://www.regulations.gov> under Docket No. FWS-R4-ES-2019-0081. A summary of that information is presented here.

Dwarf-flowered heartleaf is a plant species endemic to the upper Piedmont region of western North Carolina and upstate South Carolina. It is a low-growing herbaceous plant in the birthwort family (Aristolochiaceae). Although dwarf-flowered heartleaf is restricted in range, it is not as rare as once thought (Service 2010, p. 15; NCNHP 2016, p. 4). When dwarf-flowered heartleaf was federally listed in 1989, the listing rule described 24 extant populations (and 1 extirpated population) distributed across 8 counties in the upper Piedmont region of North and South Carolina. By 2018, the distribution of this species may have been as high as 119 populations distributed across 13 counties in both states. In North Carolina, it is found in Alexander, Burke, Caldwell, Catawba, Cleveland, Gaston, Iredell, Lincoln, Polk, and Rutherford Counties. In South Carolina, it is found in Cherokee, Greenville, and Spartanburg Counties.

Dwarf-flowered heartleaf is historically known to have a restricted range due to its habitat requirements. The habitat where dwarf-flowered heartleaf exists is limited in size and scope due to a multitude of factors including soil type, moisture availability, and slope aspect (Padgett 2004, p. 81). This unique combination of factors limits not only the range of dwarf-flowered heartleaf, but also the size of any population.

Dwarf-flowered heartleaf occurs in Piedmont uplands on acidic sandy-loam soils that are very deep and moderately permeable (Gaddy 1981, p. 7; 1987, pp. 186–196). Typical habitats for this

species include mesic to dry bluffs, slopes, or ravines in deciduous forests that are frequently associated with mountain laurel (*Kalmia latifolia*) (Padgett 2004, p. 114; Weakley 2015, p. 129; Service 2015, entire), or in moist soils adjacent to creeks or streamheads, or along lakes and rivers. Plants grow larger and have more frequent flowering in floodplains along rivers, lakes, and streams (Newberry 1993, entire). In 2013, a habitat suitability study was conducted to quantify the habitat requirements for dwarf-flowered heartleaf, which may be used to help identify the species when not in flower (relative to other *Hexastylis* species' habitat preferences), find new populations, or identify suitable sites for transplants (Wagner 2013, pp. 30–32). The unit of measurement for population size in this species is a “clump” (rosette).

Recovery Criteria

A recovery plan for the dwarf-flowered heartleaf was not prepared; therefore, specific delisting criteria were not developed for the species. The North Carolina Plant Conservation and Protection Act (NC Gen Stat section 106–202.12 (2022)) provides limited protection from unauthorized collection and trade of plants listed under that statute. However, this statute does not protect the species or its habitat from destruction in conjunction with development projects or otherwise legal activities. In South Carolina, plants are protected only from disturbance where they occur on those properties owned by the State and specifically managed as South Carolina Heritage Preserves (SC Code section 51–17–80 (2023)). There are no other Federal or State statutes that afford significant protections to dwarf-flowered heartleaf.

The majority of sites that have the potential to afford long-term protection to the species have been protected as a direct result of the provisions of section 7 of the Act. Through section 7 and voluntary conservation actions, approximately 24 of the 78 populations are permanently protected, and another 18 populations are partially protected, greatly minimizing the likelihood of impacts due to development. Additionally, tens of thousands of dwarf-flowered heartleaf plants are conserved through a voluntary agreement with Duke Energy along the Broad River. Another population is conserved at Cowpens National Battlefield, managed by the U.S. National Park Service, in upstate South Carolina. A third population is part of the Broad River Greenway, a local park in North Carolina's Cleveland County.

Furthermore, Foothills Conservancy, Catawba Lands Conservancy, and The Nature Conservancy all protect sites with dwarf-flowered heartleaf plants. The NCDOT is one of the greatest contributors to conservation of the species, acquiring land and conserving multiple populations over the years, including the land that became part of Cleveland County's Broad River Greenway.

Regulatory and Analytical Framework

Regulatory Framework

Section 4 of the Act (16 U.S.C. 1533) and the implementing regulations in title 50 of the Code of Federal Regulations set forth the procedures for determining whether a species is an endangered species or a threatened species, issuing protective regulations for threatened species, and designating critical habitat for endangered and threatened species. On April 5, 2024, jointly with the National Marine Fisheries Service, the Service issued a final rule that revised the regulations in 50 CFR part 424 regarding how we add, remove, and reclassify endangered and threatened species and what criteria we apply when designating listed species' critical habitat (89 FR 23919). This final rule is now in effect and is incorporated into the current regulations. Our analysis for this decision applied our current regulations. Given that we proposed delisting this species under our prior regulations (revised in 2019), we have also undertaken an analysis of whether the decision would be different if we had continued to apply the 2019 regulations and we concluded that the decision would be the same. The analyses under both the regulations currently in effect and the 2019 regulations are available on <https://www.regulations.gov>.

The Act defines an "endangered species" as a species that is in danger of extinction throughout all or a significant portion of its range, and a "threatened species" as a species that is likely to become an endangered species within the foreseeable future throughout all or a significant portion of its range. The Act requires that we determine whether any species is an endangered species or a threatened species because of any of the following factors:

(A) The present or threatened destruction, modification, or curtailment of its habitat or range;

(B) Overutilization for commercial, recreational, scientific, or educational purposes;

(C) Disease or predation;

(D) The inadequacy of existing regulatory mechanisms; or

(E) Other natural or manmade factors affecting its continued existence.

These factors represent broad categories of natural or human-caused actions or conditions that could have an effect on a species' continued existence. In evaluating these actions and conditions, we look for those that may have a negative effect on individuals of the species, as well as other actions or conditions that may ameliorate any negative effects or may have positive effects. The determination to delist a species must be based on an analysis of the same five factors.

We use the term "threat" to refer in general to actions or conditions that are known to or are reasonably likely to negatively affect individuals of a species. The term "threat" includes actions or conditions that have a direct impact on individuals (direct impacts), as well as those that affect individuals through alteration of their habitat or required resources (stressors). The term "threat" may encompass—either together or separately—the source of the action or condition or the action or condition itself.

However, the mere identification of any threat(s) does not necessarily mean that the species meets the statutory definition of an "endangered species" or a "threatened species." In determining whether a species meets either definition, we must evaluate all identified threats by considering the species' expected response and the effects of the threats—in light of those actions and conditions that will ameliorate the threats—on an individual, population, and species level. We evaluate each threat and its expected effects on the species, then analyze the cumulative effect of all of the threats on the species as a whole. We also consider the cumulative effect of the threats in light of those actions and conditions that will have positive effects on the species—such as any existing regulatory mechanisms or conservation efforts. The Secretary determines whether the species meets the definition of an "endangered species" or a "threatened species" only after conducting this cumulative analysis and describing the expected effect on the species.

The Act does not define the term "foreseeable future," which appears in the statutory definition of "threatened species." Our implementing regulations at 50 CFR 424.11(d) set forth a framework for evaluating the foreseeable future on a case-by-case basis which is further described in the 2009 Memorandum Opinion on the foreseeable future from the Department of the Interior, Office of the Solicitor

(M–37021, January 16, 2009; "M–Opinion," available online at <https://www.doi.gov/sites/doi.opengov.ibmcloud.com/files/uploads/M-37021.pdf>). The foreseeable future extends as far into the future as the U.S. Fish and Wildlife Service and National Marine Fisheries Service can make reasonably reliable predictions about the threats to the species and the species' responses to those threats. We need not identify the foreseeable future in terms of a specific period of time. We will describe the foreseeable future on a case-by-case basis, using the best available data and taking into account considerations such as the species' life-history characteristics, threat-projection timeframes, and environmental variability. In other words, the foreseeable future is the period of time over which we can make reasonably reliable predictions. "Reliable" does not mean "certain"; it means sufficient to provide a reasonable degree of confidence in the prediction, in light of the conservation purposes of the Act.

Analytical Framework

The SSA report documents the results of our comprehensive biological review of the best scientific and commercial data regarding the status of the species, including an assessment of the potential threats to the species. The SSA report does not represent our decision on whether the species should be delisted. However, it does provide the scientific basis that informs our regulatory decisions, which involve the further application of standards within the Act and its implementing regulations and policies.

To assess dwarf-flowered heartleaf viability, we used the three conservation biology principles of resiliency, redundancy, and representation (Shaffer and Stein 2000, pp. 306–310). Briefly, resiliency is the ability of the species to withstand environmental and demographic stochasticity (for example, wet or dry, warm or cold years); redundancy is the ability of the species to withstand catastrophic events (for example, droughts, large pollution events), and representation is the ability of the species to adapt to both near-term and long-term changes in its physical and biological environment (for example, climate conditions, pathogen). In general, species viability will increase with increases in resiliency, redundancy, and representation (Smith et al. 2018, p. 306). Using these principles, we identified the species' ecological requirements for survival and reproduction at the individual, population, and species levels, and

described the beneficial and risk factors influencing the species' viability.

The SSA process can be categorized into three sequential stages. During the first stage, we evaluated individual species' life-history needs. The next stage involved an assessment of the historical and current condition of the species' demographics and habitat characteristics, including an explanation of how the species arrived at its current condition. The final stage of the SSA involved making predictions about the species' responses to positive and negative environmental and anthropogenic influences. Throughout all of these stages, we used the best available information to characterize viability as the ability of a species to sustain populations in the wild over time, which we then used to inform our regulatory decision.

The following is a summary of the key results and conclusions from the SSA report; the full SSA report can be found at Docket No. FWS-R4-ES-2019-0018 on <https://www.regulations.gov>.

Summary of Biological Status and Threats

In this discussion, we review the biological condition of the species and its resources, and the threats that influence the species' current and future condition, in order to assess the species' overall viability and the risks to that viability. In addition, the SSA report (Service 2018, entire) documents our comprehensive biological status review for the species, including an assessment of the potential threats to the species.

For the dwarf-flowered heartleaf to maintain viability, its populations or some portion thereof must be resilient. Stochastic factors that have the potential to affect dwarf-flowered heartleaf include impacts to its habitat, particularly human development pressures, but also changes in soil moisture associated with potential increases in drought and presence of invasive species. Other factors that influence the resiliency of dwarf-flowered heartleaf populations include abundance within populations, and habitat factors such as soil type, aspect, elevation, and land use. Influencing those factors are elements of dwarf-flowered heartleaf ecology that determine whether populations can grow to maximize habitat occupancy, thereby increasing resiliency of populations. The following is a summary of this status review and the best available scientific and commercial information gathered since that time that have informed this decision.

The North Carolina Natural Heritage Program (NCNHP) assessed threats in

the populations of dwarf-flowered heartleaf they monitored from 2012 through 2016 (Robinson and Padgett 2016, pp. 7–8, 17–20). Threats that were observed, inferred, or suspected to have an impact on populations were recorded and assigned a ranking based on field observations of severity, scope, and immediacy. The rank (A through G) for each threat factor determined an overall value for each threat observed at each population. Threats observed during these years included development; incompatible forestry practices; agriculture; trampling; invasive, exotic species; sedimentation; erosion; and road construction. In this final rule, we discuss the major threats affecting the species, which include development, effects of increased drought and invasive, exotic species. For a detailed discussion of all threats affecting the species, see the SSA report available on <https://www.regulations.gov> at Docket No. FWS-R4-ES-2019-0018.

Development

Dwarf-flowered heartleaf populations occur in rapidly growing urban areas within numerous counties in North and South Carolina. At the time of listing, the species was determined to be most threatened by habitat loss due to the conversion of land to residential, commercial, and industrial use in these areas. Populations occurring in more rural areas are also threatened by habitat alteration or loss from land conversion to pasture or other agricultural uses, cattle grazing, intensive timber harvesting, residential construction, and construction of small ponds (Robinson 2016, p. 10; Robinson and Padgett 2016, p. 5).

The recent 5-year review for the species identified the most recurrent source of habitat destruction as road and bridge improvement projects, which is also the most common trigger for consultations under section 7 of the Act involving dwarf-flowered heartleaf. Ten of the 27 largest populations (containing more than 1,000 rosettes) have been the subject of section 7 consultations. Collectively, these projects have adversely affected or were expected to affect approximately 22,135 rosettes (Service 2018, p. 31). In most cases, the section 7 process resulted in avoidance or minimization of adverse effects through relocation of plants and/or commitments of on-site protection. Significant portions of other populations are located on properties that have been purchased by NCDOT as off-site conservation measures in association with these consultations. The purpose of these purchases is to protect the dwarf-flowered heartleaf.

Other forms of economic development have also resulted in the destruction or modification of habitats occupied by dwarf-flowered heartleaf; in many cases, these activities also required section 7 consultations with the Service. Examples include the maintenance or expansion of hydroelectric and drinking water reservoirs, construction of an industrial development complex, and maintenance activities at a regional airport. Collectively, these activities involved the loss or relocation of several thousand rosettes.

Development was identified as a threat at 5 of 10 North Carolina populations monitored by NCNHP (Robinson and Padgett 2016, pp. 17–19). These 5 populations include 2 stand-alone EOs and 3 parent EOs with 18 sub-EOs. Of the 2 stand-alone EOs, 1 has a development threat rank of A (moderate to severe, imminent threat for most (more than 60 percent) of population, occurrences, or area) and 1 has a rank of B (moderate to severe, imminent threat for a significant portion (20–60 percent) of the population, occurrences, or area). Of the 18 sub-EOs, 9 have development identified as a threat. Of the nine sub-EOs, one has a development threat rank of A, one has a rank of B, one has a rank of E (moderate to severe threat for a small proportion of population, occurrences, or area), and six have a rank of F (low severity threat for most or a significant proportion of population, occurrences, or area). The two stand-alone EOs and two sub-EOs with the highest threat ranks (A and B) are located in four populations. Based on the most recent monitoring data, one is increasing, two are stable, and one is decreasing (Robinson and Padgett 2016, p. 11). Even where development is ranked as a high threat, impacts to dwarf-flowered heartleaf have not been shown to be significant.

Development was identified as a threat at one of three South Carolina populations monitored by NCNHP, and that population has a development threat rank of E (Robinson and Padgett 2016, p. 20). Based on the most recent monitoring data, this population is stable (Robinson and Padgett 2016, p. 11).

The data therefore indicate that most dwarf-flowered heartleaf populations have either remained stable or increased in the presence of development. From 2012 to 2016, there were insignificant changes in the severity of the threat of development observed in the field (NCNHP 2016, p. 8).

The North Carolina Plant Protection and Conservation Act (NC Gen Stat section 106–202.12 (2022)) lists native

plants as threatened, endangered, or species of concern, and provides limited protection from collection and trade of listed plants. However, this statute does not protect the species or its habitat from destruction in conjunction with development projects or otherwise legal activities. In North Carolina, the NCNHP designates “natural areas”, which are sites with biological diversity significance due to the presence of rare species or unique natural communities. The NCNHP works with many conservation partners (State and Federal agencies, conservation organization, land trusts, etc.) to implement voluntary protection. Through partnerships, the most important natural areas are purchased for permanent conservation. If a natural area is not available for purchase, ecological significance can be recognized by a voluntary registry agreement. Registry agreements consist of registered heritage areas, which are voluntary conservation agreements between the landowner and NCNHP to preserve the natural area and biological diversity of the property. The NCNHP has four registry agreements that include dwarf-flowered heartleaf.

In South Carolina, plants are protected only from disturbance where they occur on those properties owned by the State and specifically managed as South Carolina Heritage Preserves (SC Code section 51–17–80 (2023)). Heritage Preserves are protected areas that play a critical role in conserving rare species and natural habitats. There is one Heritage Preserve in South Carolina, which protects one population of the dwarf-flowered heartleaf.

The overwhelming majority of dwarf-flowered heartleaf populations have been discovered as a direct result of surveys conducted to ensure compliance with the Act. The majority of sites that have the potential to afford long-term protection to the species have been protected as a result of consultations under section 7 of the Act, which directs Federal agencies to avoid and minimize adverse effects to federally listed species. Through section 7 and other voluntary conservation actions, approximately 24 (31 percent) of the 78 current populations are permanently protected, and another 18 populations (23 percent) are partially protected, greatly minimizing the likelihood of impacts due to development. Over 50 percent of dwarf-flowered heartleaf populations will therefore remain under some form of protective mechanism from the threat of development in the absence of the Act’s protections.

Invasive, Exotic Species

Invasive, exotic plant species occur across the range of this species. Plants such as English ivy (*Hedera helix*), Chinese privet (*Ligustrum sinense*), Japanese honeysuckle (*Lonicera japonica*), and Japanese stiltgrass (*Microstegium vimineum*) are known at several sites that contain dwarf-flowered heartleaf (Service 2019 p. 15). Invasive, exotic species were identified as a threat at 8 of 10 North Carolina populations monitored by NCNHP (Robinson and Padgett 2016, pp. 17–19). The 8 populations include 4 stand-alone EOs and 4 parent EOs with 19 sub-EOs. Of the 4 stand-alone EOs, 1 has an invasive threat rank of B (moderate to severe, imminent threat for a significant portion (20–60 percent) of the population, occurrences, or area), 2 have a rank of F (low severity threat for most or a significant proportion of population, occurrences, or area), and 1 has a rank of G (low severity threat for a small proportion of population, occurrences, or area). Of the 19 sub-EOs, 9 have invasive, exotic species identified as a threat. Of these 9 sub-EOs, 1 has an invasive threat rank of A (moderate to severe, imminent threat for most (more than 60 percent) of population, occurrences, or area), 4 have a rank of B, 2 have a rank of E (moderate to severe threat for a small proportion of population, occurrences, or area), and 2 have a rank of G. The one stand-alone EO and five sub-EOs with the highest threat ranks (A and B) are located in three populations. Based on the most recent monitoring data, one EO is increasing, one is stable, and one is decreasing (Robinson and Padgett 2016, p. 11). Even where invasive, exotic species are ranked as a high threat, impacts to dwarf-flowered heartleaf have not been shown to be significant.

Invasive, exotic species were identified as a threat at all (three) South Carolina populations monitored by NCNHP, and all sites had an invasive threat rank of F (Robinson and Padgett 2016, p. 20). Based on the most recent monitoring data, all populations are stable (Robinson and Padgett 2016, p. 11).

In short, the data indicate that most dwarf-flowered heartleaf populations have remained stable or increased in the presence of invasive, exotic species. Despite the long-term presence of invasive, exotic plants, from 2012 to 2016, there were no changes in the severity of threats observed in the field significant enough to elevate the threat ranks of the evaluated dwarf-flowered heartleaf populations (NCNHP 2016, p. 8).

Climate

Accelerated changes in the environment is expected to increase the frequency and extent of drought conditions across the southeastern United States (Karl et al. 2009, entire). Increased frequency of severe storms could lead to impacts if flooding duration or intensity increased as a result. Increased flooding could decrease habitat suitability through scouring and changes in soil moisture or wash plants away. Warming in the Southeast is expected to be greatest in the summer (National Climate Change Viewer (NCCV) 2016, unpaginated), which is predicted to increase drought frequency, while annual mean precipitation is expected to increase slightly, leading to increased flooding events (Intergovernmental Panel on Climate Change (IPCC) 2013, p. 7; NCCV 2016, unpaginated). Changes in climate may affect ecosystem processes and communities by altering the abiotic conditions experienced by biotic assemblages, resulting in potential effects on community composition and individual species interactions (DeWan et al. 2010, p. 7).

In recent years, the Southeast has experienced moderate to severe droughts, which many observers have implicated in population declines and poor transplant survivorship (NCNHP 2016, entire). A wildfire burned portions of one of the largest known populations in 2009 (Foothills Landfill in Caldwell County, NC; Golder and Associates, 2009, entire). However, observation suggests that the species was not appreciably harmed by this fire (Service 2019 p. 33). Additionally, the National Park Service (NPS) uses prescribed fire as a vegetation management tool at Cowpens National Battlefield. The NPS’s prescribed burning activity includes the majority of the dwarf-flowered heartleaf population on site and burning appears to have had no adverse effects upon growth or flowering (Walker et al. 2009, p. 14).

Current Condition

Resiliency

For dwarf-flowered heartleaf to maintain viability, its populations, or some portion thereof, must be resilient. Resiliency is assessed at the level of populations and reflects a species’ ability to withstand stochastic events (events arising from random factors). Resilient populations are better able to withstand disturbances such as random fluctuations in reproductive rates and fecundity (demographic stochasticity), variations in rainfall (environmental stochasticity), and the effects of

anthropogenic activities. Stochastic factors that have the potential to affect dwarf-flowered heartleaf include habitat impacts; increased drought; and exotic, invasive species. Factors influencing the resiliency of dwarf-flowered heartleaf populations include population size, available habitat, and elements of dwarf-flowered heartleaf ecology that determine whether populations can maximize habitat occupancy.

The Natural Heritage Programs (NHP) collect information on occurrences of rare plants, animals, natural communities, and animal assemblages. Collectively, these are referred to as “elements of natural diversity” or simply as “elements.” In recent years, NatureServe and its member NHPs have devised mapping standards to balance the need for fine-scale, highly site-specific element occurrence (EO) records (required for monitoring and management) with the need to aggregate these records in meaningful units of conservation interest that may approximate biological populations (NatureServe 2002 unpaginated). We regard the NHP databases as the best repository for known locations of the dwarf-flowered heartleaf (Service 2010, p. 41). Populations are composed of both multiple sub-EOs and stand-alone EO records. For the purpose of assessing resiliency, 78 populations observed since 2005 were assessed due to the high confidence in their persistence. These new populations observed are the result of additional survey efforts.

To determine overall resiliency for populations, we used EO viability ranks and expert opinion to bin population size classes into corresponding resiliency categories. EO viability ranks for the species include the following categories: excellent, good, fair, poor, extant, historical, and failed to find. The primary factor in determining these ranks is EO size (as quantified by number of clumps). Condition of habitat (vegetation community and structure) and landscape context (extent of suitable habitat and physical factors) are incorporated secondarily. Recent reports (Robinson 2016, p. 7; Robinson and Padgett 2016, p. 4) focus monitoring studies on populations with greater than 1,000 individuals (assumed to be very viable). Because we do not have habitat-level information for every population we assessed, we synthesized available population size information and created four resiliency categories as follows:

- Very high—populations with more than 1,000 individuals; very high probability of persistence for 20 to 30 years at or above the current population size.

- High—populations with 500 to 1,000 individuals; moderately high probability of persistence for 20 to 30 years at or above the current population size.

- Moderate—populations with 100 to 500 individuals; low probability of persistence for 20 to 30 years at or above the current population size.

- Low—populations with fewer than 100 individuals; low probability of persistence for 20 to 30 years at or above the current population size, and moderately high probability of extirpation.

Of the 78 populations assessed, 28 have very high resiliency, 5 have high resiliency, 26 have moderate resiliency, and 19 have low resiliency.

Redundancy

Redundancy is also assessed at the species level and reflects a species' ability to withstand catastrophic events (such as a rare destructive natural event or episode involving many populations) by spreading the risk of such an event across multiple, resilient populations. We measured redundancy for dwarf-flowered heartleaf by the number and distribution of resilient populations across the range of the species. It is important to note that dwarf-flowered heartleaf has a naturally limited range, so measures of redundancy reflect the distribution within a relatively small area. Redundancy for dwarf-flowered heartleaf is the total number and resiliency of population segments and their distribution across the species' range.

We consider a catastrophe to be any population-level disturbance with the potential to negatively influence population resiliency outside of normal environmental and demographic stochasticity. Disturbances often act quickly and often with devastating effects; however, they can occur over long periods of time. A disturbance that occurs as a relatively discrete event in time, such as a hurricane, is referred to as a “pulse” disturbance, while more gradual or cumulative pressures on a system are referred to as “press” disturbances. Both types of disturbances are part of the natural variability of dwarf-flowered heartleaf ecological systems, and must be considered when assessing redundancy. While there is certainly a variety of potential pulse disturbances for the species (timber harvest, hydrological alterations, road and right-of-way construction), the primary potential catastrophic disturbances are press disturbances from increased drought. These press disturbances have great potential to affect ecosystem processes and

communities by altering the underlying abiotic conditions such as temperature and precipitation changes (DeWan et al. 2010, pp. 7–10).

Representation

Because we lack genetic and ecological diversity data to characterize representation for dwarf-flowered heartleaf, we decided delineating representative units was not appropriate for this species. However, in the absence of species-specific genetic and ecological diversity information, we evaluated representation based on the extent and variability of habitat characteristics across the geographical range. Dwarf-flowered heartleaf occurs in two types of habitats throughout the range. Typical habitats for this species include mesic to dry bluffs, slopes, or ravines in deciduous forests that are frequently associated with mountain laurel (Padgett 2004, entire; Weakley 2015, entire; Service 2015, entire), or moist soils adjacent to creeks, streamheads, or along lakes and rivers. This variation in habitat type provides species representation in drier and wetter habitats, demonstrating the species' ability to adapt to changing environmental conditions.

Future Condition

Our analysis of the past, current, and future influences on dwarf-flowered heartleaf revealed that there are several influences that may pose risks to the future viability of the species. We assessed the species future viability over a timeframe of 20 to 25 years, which incorporates the relevant threats to the species and the species' likely response to those threats. The current and ongoing threats assessed in our analysis include the negative impacts of invasive species, increased drought, and habitat changes resulting from development. We selected this timeframe because it gives us the ability to reliably predict into the future and to capture the uncertainty related to the potential impacts to each population's resiliency. As also described above, the term “foreseeable future” extends only so far into the future as the Service can reasonably determine that both the future threats and the species' responses to those threats are likely. Data that are typically relevant to assessing the species' biological response include species-specific factors such as lifespan, reproductive rates or productivity, certain behaviors, and other demographic factors. Where we had data over longer time frames, we analyzed those data (e.g., climate data); however, for the factors most influential in affecting the status of the dwarf-

flowered heartleaf, such as development and invasive species, we could only reliably predict the magnitude of the primary threats and the subsequent effects on dwarf-flowered heartleaf over a time frame of 20–25 years. This provides a timeframe of reference observations that enables the Service to predict future management scenarios for the species and the species' response to threats and management actions. Prior dwarf-flowered heartleaf conservation experience indicates that this timeframe is the expected period over which implementation of management practices (such as invasive species management) by conservation partners and tracking of the species' response to managed habitat improvement is reliable. Further, this time period coincides with the SLEUTH urban growth models, allowing us to make reliable predictions with respect to the threat of development. Therefore, we used the 20–25 year timeframe in developing our projections of future conditions for dwarf-flowered heartleaf.

Invasive, Exotic Species

As discussed above, invasive, exotic plants were identified as a threat at the time of listing; however, this threat may not be as significant as once thought. The NCNHP monitored 13 populations of dwarf-flowered heartleaf and assessed threats at each population. Of the monitored sites, only 9 percent of populations (1 of 11) where invasive, exotic species are present are also in decline, indicating the species has at least some capacity to withstand the presence of invasive, exotic species. The number of known populations has increased dramatically since listing as a result of increased survey effort, and the invasive, exotic plant threat to many of the largest populations has been observed to be low (NCNHP 2016, pp. 8, 17–20). Additionally, and as noted above, the number of populations managed under conservation ownership has increased. Therefore, we determine that competition from invasive, exotic species will not be a significant threat to dwarf-flowered heartleaf in the foreseeable future.

Climate

Our analysis under the Act includes consideration of ongoing and projected changes in climate. The term “climate” is defined as the long-term pattern of weather in a particular area. Various types of changes in climate can have direct or indirect effects on species. These effects may be positive, neutral, or negative, and they may change over time, depending on the species and other relevant considerations, such as

the effects of interactions of climate with other variables (e.g., habitat fragmentation) (IPCC 2014, entire). In our analyses, we use the judgment of the experts to weigh relevant information, including uncertainty, in our consideration of various aspects of increases in drought.

As part of the current, worldwide collaboration in climate modelling under the IPCC, climate assessments of the full dataset of 30 climate models for historical and 21st century comparisons provide predictions at scales ranging from global to county-level in the United States (NCCV 2016 unpaginated). This global climate information has been downscaled by the National Aeronautics and Space Administration to scales relevant to our region of interest, and projected into the future under two different scenarios of plausible emissions of greenhouse gases (Alder and Hostetler 2017, p. 3). Using the NCCV and assuming the representative concentration pathways (RCP) greenhouse gas emission scenario RCP 8.5, we calculated projected annual mean changes from 1981–2010 to those projected for 2025–2049 for maximum temperature (+2.9 to 3.1 degrees Fahrenheit (°F) (+1.611 to 1.722 degrees Celsius (°C)) in NC and +2.9 °F +1.611 °C in SC), precipitation (+0.2 inches (in) (5.08 millimeters (mm)) per month for NC and SC), soil storage (–0.1 to –0.2 in (–2.54 to –5.08 mm) for NC and –0.1 in (–2.54 mm) SC), and evaporative deficit (no change for NC or SC) in all counties where dwarf-flowered heartleaf occurs (Adler and Hostetler 2017, entire). We also calculated projected annual mean changes for the RCP 4.5 scenario using the same timeframes for maximum temperature (+2.5 to 2.7 °F (+1.388 to 1.5 °C) in NC and SC), precipitation (+0.01 in (0.254 mm) per month for NC and SC), soil storage (–0.1 to –0.2 in (–2.54 to –5.08 mm) for NC and –0.1 in (–2.54 mm) for SC), and evaporative deficit (no change for NC or SC) in all counties where dwarf-flowered heartleaf occurs (Adler and Hostetler 2017, entire). Based on these results, all 13 counties within the range of dwarf-flowered heartleaf will be subjected to higher temperatures (annual mean increase of 2.6 °F (1.44 °C) (RCP 4.5) or 2.9 °F (1.611 °C) (RCP 8.5)) and slightly higher precipitation (annual mean increase of 0.1 in (2.54 mm) per month (RCP 4.5) or 0.2 in (5.08 mm) per month (RCP 8.5)) in 2025–2049 relative to the period of 1981–2010. Because the average annual increase in precipitation is predicted to be only slight, the loss in soil storage is likely primarily the result of higher predicted temperatures.

Dwarf-flowered heartleaf is a long-lived perennial species. Several populations have been revisited after decades and the species was still stable. For example, one population in Rutherford County was first observed in 1957, and was still extant when next observed in 2001 (NCNHP 2018, unpaginated). In their analyses of life-history traits in relation to potential vulnerability to variability in demographic vital rates caused by increased variability in climatic patterns, researchers concluded that longer-lived species should be less influenced by climate-driven increases in demographic variability (Morris et al. 2008, p. 22; Dalglish et al. 2010, p. 216).

Within the family Aristolochiaceae, more than 50 percent of the plant lineage is myrmecochorous (seed dispersal by ants) (Lengyel et al. 2010, p. 49). Likewise, dwarf-flowered heartleaf employs myrmecochory as a method for seed dispersal (Gaddy 1986, entire). While species with ant-dispersed seeds have slower migration rates than species with seeds that are adhesive or ingested (Brunet and Von Oheimb 1998, p. 429), myrmecochory provides for multiple adaptive advantages for plants. Ants can disperse seeds to sites that might be nutrient-enhanced or where plant fitness will be higher. Additionally, ants bury seeds, which may protect them from fire and drought (Boyd 2001, p. 235), two conditions exacerbated by increases in drought (Karl et al. 2009, entire).

Populations of dwarf-flowered heartleaf are located within various ecological settings within the species' range. Dwarf-flowered heartleaf occurs on Piedmont uplands on acidic sandy-loam soils that are very deep and moderately permeable (Gaddy 1981, p. 7; 1987, pp. 186–196). Typical habitats for this species include mesic to dry bluffs, slopes, or ravines in deciduous forests that are frequently associated with mountain laurel (Padgett 2004, p. 114; Weakley 2015, p. 129), or moist soils adjacent to creeks or streamheads, or along lakes and rivers. This variation in habitat type provides species representation in drier and wetter habitats, demonstrating the species' ability to adapt to different environmental conditions that could be brought on by changing climate.

Development

As discussed above, development was identified as a threat at the time of listing; however, the threat is not as significant as once thought. The NCNHP monitored 13 populations of dwarf-flowered heartleaf and assessed threats

at each population. In 8 of the 13 monitored populations, development is identified as a threat. Of those 8 sites, only 12 percent of populations are also in decline, indicating the species has at least some capacity to withstand the threat of development. The number of known populations has increased dramatically since listing and the development threat posed at many of the largest populations is expected to remain low (NCNHP 2016, pp. 8, 17–20).

We assessed three plausible future scenarios encompassing varying levels of threats under status quo, targeted conservation, and high development. Based on the life span of the species, expert input, and uncertainty about future conditions, we projected population conditions in 2040 under each scenario as described in the SSA report (Service 2018, p. 34). Results of future projections within each scenario are focused on current populations and potential habitat identified by the Maxent model as described below.

In constructing our scenarios, we considered two main influences by which species viability projections could be affected: location of additional populations (positive influence) and habitat loss and fragmentation due to urban development (negative influence). Habitat quantity can be negatively impacted by development or land use change (particularly on private lands) or positively impacted by land acquisition, restoration, and/or introductions into unoccupied sites with existing suitable habitat.

We use the SLEUTH model to determine areas predicted to be urbanized by 2040, a time period for which the models provide reliable data. The SLEUTH model has been successfully applied worldwide over the last 15 years to simulate land use change, including urbanization (Clarke 1995, entire). The SLEUTH model predictions are broken down by probabilities of urbanization, ranging from 0 to 100 percent. We chose 80 percent probability as our cutoff, as this cutoff has been used by the U.S. Geological Survey and by us in other SSAs, and this threshold represents a highly likely outlook for urbanization of the landscape. To forecast viability using urban development projections, we assessed the following:

- Percent increase in projected development within the range of current populations; and
- Percent increase in projected development within areas delineated as potential habitat by the Maxent habitat model.

We know that certain dwarf-flowered heartleaf populations have been extirpated as the result of urban development in the past through loss of habitat. However, there are no data available on the relationships between urbanization and indirect impacts to dwarf-flowered heartleaf. Because of this unknown, we attempted to capture potential impacts in two ways. Our scenarios reflect a range of potential impacts from nearby urban development. Also, we used two thresholds for percent increase in urban development to capture potential deleterious effects: 25 percent and 50 percent. Our assumptions were that very small increases in development are unlikely to negatively impact populations; development increase of at least 25 percent of the area of current populations was likely to have some negative impacts; and development increase of at least 50 percent was likely to have significant impacts to populations (Service 2018, p. 36).

We also assessed potential positive effects by integrating the potential identification or rediscovery of additional populations throughout the range into two of our scenarios (targeted conservation and status quo). This is appropriate for several reasons. First, discovery of new EOs is common; many of the populations we consider under Current Condition, above, include detections that have occurred within the last few years. Second, we did not include many older detections (*i.e.*, we only included detections since 2005), although many of those detections are likely to persist. Several EOs have been revisited after more than 10 years, and the species was still present. For example, one such E.O. was first observed in 1957, next observed in 2001, and last observed in 2017. Based on the species' life history as a long-lived perennial species, and confirmed by such observations, it is reasonable to assume that populations will remain extant as long as suitable habitat is present. Finally, there are many predicted suitable habitat present within older EOs based on the Maxent model predictions that were not included as current populations due to the relatively long time since last observation.

The first step in identifying additional areas where dwarf-flowered heartleaf is likely to be found in the future was to identify EOs from populations that were last observed prior to 2005 (*i.e.*, we define current populations as those observed between 2005 and present day). Although our focus is on pre-2005 EOs, where dwarf-flowered heartleaf is likely to persist into the future, we also

included current EOs (2005–current day) in our analysis because we were interested in how the pre-2005 EOs compared to those known to be persisting on the landscape since 2005. Also, by including pre-2005 EOs that are within current delineated populations, we can investigate whether current populations might be predicted to contain more plants than the most recent abundance estimate.

Once pre-2005 EOs were identified, we created a 1,000-m (3280.84 feet (ft)) buffer around the population and calculated a number of useful metrics, including resiliency category based on the last known abundance estimate, Maxent habitat model metrics, and the results of the SLEUTH model to further refine a list of potential sites where the species would likely occur within our 20–25-year projection window. Resiliency categories were assessed using last known abundance in the same way as populations assessed under Current Condition, above (*i.e.*, low = fewer than 100 individuals; moderate = 100–500 individuals; high = 500–1,000 individuals; very high = greater than 1,000 individuals). We assessed two habitat metrics for pre-2005 EOs: average Maxent score and percent Maxent classified as 0.8–1.0 score. Average Maxent score indicates habitat suitability, where in general, the higher the score, the higher quality the habitat, and was calculated by taking the mean Maxent score of all potential habitat within the 1,000-m (3280.84 ft) buffer. The percent Maxent classified as 0.8–1.0 represents the percentage of all potential habitat within the 1,000-m buffer that falls within the highest suitability habitat class. Together, these habitat metrics give general estimates of habitat quantity and quality. Finally, we calculated the total percentage of the 1,000-m buffer around each E.O. that is projected to be urbanized in the year 2040, in order to capture the primary risk factor of development when assessing the areas where dwarf-flowered heartleaf is likely to persist.

Status Quo Scenario

Under the status quo scenario, we estimate that 75 populations will persist throughout the range, and that there will be a range of impacts from urbanization that are related to the percentage increase in urban development and whether a population is protected or not. We assessed population resiliency under the following assumptions:

- Two additional populations are identified as persisting based on Maxent model metrics, last known abundance category, and total predicted urbanization from SLEUTH modelling.

Six additional EOs within currently delineated populations not included under Current Condition, above, are predicted to persist based on the same metrics.

- Potential impacts of urban development based on SLEUTH model projections focused on current delineated populations:

- Protected areas:
 - Protected in perpetuity—no negative impacts from urbanization; and
 - Voluntary protection/non-perpetuity—population drops one resiliency rank if percent increase in urbanization exceeds 50 percent threshold.

- Unprotected areas—population drops one resiliency rank if percent increase in urbanization exceeds 25 percent threshold; population drops two resiliency ranks if percent increase in urbanization exceeds 50 percent threshold.

High Development Scenario

Under the high development scenario, we estimate no additional populations will persist throughout the range, and that impacts from urbanization are relatively high, and are also affected by whether a population is protected or not. We assessed population resiliency under the following assumptions:

- No additional populations are identified as persisting.

- Potential impacts of urban development based on SLEUTH model projections focused on current delineated populations:

- Protected areas:
 - Protected in perpetuity—population drops one resiliency rank if percent increase in urbanization exceeds 50 percent threshold; and

- Voluntary protection/non-perpetuity—population drops one resiliency rank if percent increase in urbanization exceeds 25 percent threshold; population drops two resiliency ranks if percent increase in urbanization exceeds 50 percent threshold.

- Unprotected areas—population drops one resiliency rank if percent increase in urbanization exceeds 25 percent threshold; population drops two resiliency ranks if percent increase in urbanization exceeds 50 percent threshold; extirpation of populations if percent increase in urbanization exceeds 90 percent threshold.

Targeted Conservation Scenario

Under the targeted conservation scenario, we estimate it is likely that several additional populations (*i.e.*, more than in the status quo scenario) will persist throughout the range. This

scenario accounts for resilience (which is linked to abundance), habitat suitability (as predicted by the model), projected urban development (from SLEUTH), and protection status. In this scenario, conservation is happening through various partners (*e.g.*, State agencies, land trusts or other non-profits, private individuals). The range of impacts from urbanization are the same as in the status quo scenario. We assessed population resiliency under the following assumptions:

- Six populations are identified as persisting based on Maxent model metrics, last known abundance category, and total predicted urbanization from SLEUTH modelling. Six additional EOs within currently delineated populations not included under Current Condition, above, are predicted to persist based on the same metrics.

- Potential impacts of urban development based on SLEUTH model projections focused on current delineated populations:

- Protected areas:
 - Protected in perpetuity—no impacts from urbanization; and

- Voluntary protection/non-perpetuity—population drops one resiliency rank if percent increase in urbanization exceeds 50 percent threshold.

- Unprotected areas—population drops one resiliency rank if percent increase in urbanization exceeds 25 percent threshold; population drops two resiliency ranks if percent increase in urbanization exceeds 50 percent threshold.

Future Resiliency

Status Quo Scenario

In the status quo scenario, we predict 75 of the 78 populations of dwarf-flowered heartleaf will be extant in 2040. The predicted resiliency of the extant populations are as follows: very high (27); high (6); moderate (23); low (17); and 2 additional populations identified as persisting, with an unknown resiliency. Six EOs within currently delineated populations not included under Current Condition, above, are predicted to persist, but resiliency is unchanged because each of the populations are already predicted to be of very high resiliency. When comparing future population resiliency to current condition, a few populations drop in their resiliency category. One current population of very high resiliency is predicted to drop to high resiliency; two moderate resiliency populations are predicted to drop to low resiliency; and five populations (one currently moderate and four currently

low) are predicted to be extirpated due to urban development.

High Development Scenario

In the high development scenario, we predict 72 of the 78 populations of dwarf-flowered heartleaf will remain extant in 2040. The predicted resiliency of the extant populations are as follows: very high (27); high (4); moderate (25); and low (16). No additional populations are identified as persisting. When comparing future population resiliency to current condition, a few populations drop in their resiliency category. One current population of very-high resiliency is predicted to drop to moderate resiliency; one high resiliency population is predicted to drop to moderate resiliency; two moderate resiliency populations are predicted to drop to low resiliency; and six populations (one currently moderate and five currently low) are predicted to be extirpated due to urban development.

Targeted Conservation Scenario

In the targeted conservation scenario, we predicted 79 populations of dwarf-flowered heartleaf will be extant in 2040. The predicted resiliency of the extant populations are as follows: very high (27); high (6); moderate (23); low (17); and 6 additional populations identified as persisting, with an unknown resiliency. Six EOs within currently delineated populations not included under Current Condition, above, are predicted to persist, but resiliency is unchanged because each of the populations are already predicted to be of very high resiliency. When comparing future population resiliency to current condition a few populations drop in their resiliency category. One current population of very high resiliency is predicted to drop to high resiliency; two moderate resiliency populations are predicted to drop to low resiliency; and five populations (one currently moderate and four currently low) are predicted to be extirpated due to urban development.

Viability Summary

Future viability of dwarf-flowered heartleaf under all three scenarios is summarized in table 1, below. Urban development is predicted to have negative impacts on several of the current populations under all of our scenarios. However, this loss of resiliency and extirpation of a few populations is offset in the status quo and targeted conservation scenarios by the persistence of several additional populations. In the high development scenario, there is a predicted loss of six populations, with loss of resiliency in

several additional populations. However, in all three scenarios, the majority of the populations are expected to persist in 2040 at a level of at least moderate resiliency.

Given the relatively high number of populations across each scenario, redundancy remains similar to current conditions. We therefore conclude that there will be adequate redundancy within the range of dwarf-flowered heartleaf to withstand the impacts of

localized catastrophic press disturbances; however, the species' range is relatively small, making it potentially vulnerable to long-term catastrophic events.

Because dwarf-flowered heartleaf has a very limited range, and after consulting with experts, we decided that delineating representative units was not appropriate. It is worth noting that in two of our scenarios (status quo and targeted conservation), additional

populations are found to persist in South Carolina, an area where there are relatively few current populations. Based on a habitat distribution model, there is potential dwarf-flowered heartleaf habitat throughout the species range. Additional plants may be present in these areas but would need to be confirmed via surveys. Although we did not delineate representative units, our scenarios do not predict declines in species representation.

TABLE 1—VIABILITY SUMMARY FOR DWARF-FLOWERED HEARTLEAF UNDER THREE FUTURE SCENARIOS (PROJECTED TO YEAR 2040) AND COMPARED TO CURRENT CONDITION

	Current condition	Status quo scenario	High development scenario	Targeted conservation scenario
Very-High Resiliency	28	27	27	27
High Resiliency	5	6	4	6
Moderate Resiliency	26	23	25	23
Low Resiliency	19	17	16	17
Extirpated	n/a	5	6	5
Persisting	n/a	2	0	6
Total Populations	78	75	72	79

We note that, by using the SSA framework to guide our analysis of the scientific information documented in the SSA report, we have not only analyzed individual effects on the species, but we have also analyzed their potential cumulative effects. We incorporate the cumulative effects into our SSA analysis when we characterize the current and future condition of the species. Our assessment of the current and future conditions encompasses and incorporates the threats individually and cumulatively. Our current and future condition assessment is iterative because it accumulates and evaluates the effects of all the factors that may be influencing the species, including threats and conservation efforts. Because the SSA framework considers not just the presence of the factors, but to what degree they collectively influence risk to the entire species, our assessment integrates the cumulative effects of the factors and replaces a standalone cumulative effects analysis.

Determination of Dwarf-Flowered Heartleaf's Status

Section 4 of the Act (16 U.S.C. 1533) and its implementing regulations (50 CFR part 424) set forth the procedures for determining whether a species meets the definition of an endangered species or a threatened species. The Act defines an endangered species as a species that is in danger of extinction throughout all or a significant portion of its range, and a threatened species as a species that is likely to become an endangered species

within the foreseeable future throughout all or a significant portion of its range. The Act requires that we determine whether a species meets the definition of an endangered species or a threatened species because of any of the following factors: (A) The present or threatened destruction, modification, or curtailment of its habitat or range; (B) Overutilization for commercial, recreational, scientific, or educational purposes; (C) Disease or predation; (D) The inadequacy of existing regulatory mechanisms; or (E) Other natural or manmade factors affecting its continued existence.

Status Throughout All of Its Range

After evaluating threats to the species and assessing the cumulative effect of the threats under the section 4(a)(1) factors, we find that the present or threatened destruction, modification, or curtailment of dwarf-flowered heartleaf habitat (Factor A), which was the basis for listing the species, is no longer a threat. We assessed the best scientific and commercial data available regarding the past, present, and future threats faced by the dwarf-flowered heartleaf. When dwarf-flowered heartleaf was listed, the two prominent threats identified were invasive, exotic plants and habitat loss or destruction. As discussed above, invasive, exotic species are not as significant a threat to dwarf-flowered heartleaf as originally thought. Only 1 of the 11 monitored populations where invasive, exotic species occur was identified as

declining. Additionally, dwarf-flowered heartleaf has the capacity to withstand habitat loss and destruction due to development. Of the 78 populations evaluated, 75 percent are characterized as being either very high, high, or moderately resilient, and many are stable or increasing.

The species currently has significant redundancy (78 populations), resilient populations (33 of 78 evaluated populations with high or very high viability), and representation in 2 different ecological settings. Even under our high development scenario, only two high or very high viability populations are predicted to have lower viability as a result of development. Therefore, we do not believe that competition from invasive, exotic species or habitat loss and destruction are significant threats to the species.

Additionally, since listing, there has been a nearly four-fold increase in the number of known populations. Of the 78 populations evaluated in the SSA report, 24 populations (31 percent) have permanent protection and 18 populations (23 percent) have partial protection through voluntary agreements or other commitments of management. We conclude that the species is currently not in danger of extinction throughout all of its range.

In order to more closely examine the future threat posed by habitat loss or destruction, we analyzed three different future development scenarios to the year 2040. Under all scenarios evaluated, 56 of the currently known 78

populations remain in very high, high, and moderate resiliency, compared to 59 populations under current conditions. Only a small number (five or six) of currently low resiliency populations are predicted to become extirpated under all scenarios evaluated. The species will continue to occur across its range, redundancy will remain high to moderately high, and representation will continue in its current condition providing current levels of adaptive capacity.

Of the 78 populations evaluated in the SSA report, 24 populations (31 percent) have permanent protection and 18 populations (23 percent) have partial protection through voluntary agreements or other commitments of management, reducing the likelihood of development impacting those populations. Recent examination of the species also identified increased drought and invasive species as potential future threats. The species' broadened range (from 8 counties to 13) and significantly increased numbers of known populations (24 to 119) since listing in 1989 indicate that the dwarf-flowered heartleaf benefits from sufficient redundancy and resiliency to withstand perturbations from increased drought as well as from invasive species. Thus, after assessing the best available scientific and commercial information, we conclude that the dwarf-flowered heartleaf is not in danger of extinction now or likely to become so in the foreseeable future throughout all of its range.

Status Throughout a Significant Portion of Its Range

Under the Act and our implementing regulations, a species may warrant listing if it is in danger of extinction or likely to become so within the foreseeable future throughout all or a significant portion of its range. Having determined that the dwarf-flowered heartleaf is not in danger of extinction or likely to become so within the foreseeable future throughout all of its range, we now consider whether it may be in danger of extinction or likely to become so in the foreseeable future in a significant portion of its range—that is, whether there is any portion of the species' range for which both (1) the portion is significant; and, (2) the species is in danger of extinction or likely to become so in the foreseeable future in that portion. Depending on the case, it might be more efficient for us to address the “significance” question or the “status” question first. We can choose to address either question first. Regardless of which question we address first, if we reach a negative

answer with respect to the first question that we address, we do not need to evaluate the other question for that portion of the species' range.

In undertaking this analysis for dwarf-flowered heartleaf, we chose to address the status question first. We began by identifying portions of the range where the biological status of the species may be different from its biological status elsewhere in its range. For this purpose, we considered information pertaining to the geographic distribution of (a) individuals of the species, (b) the threats that the species faces, and (c) the resiliency condition of populations.

We evaluated the range of the dwarf-flowered heartleaf to determine if the species is in danger of extinction now or likely to become so within the foreseeable future in any portion of its range. The range of a species can theoretically be divided into portions in an infinite number of ways. We focused our analysis on portions of the species' range that may meet the Act's definition of an endangered species or a threatened species. For the dwarf-flowered heartleaf, we considered whether the threats or their effects on the species are greater in any biologically meaningful portion of the species' range than in other portions such that the species is in danger of extinction now or likely to become so within the foreseeable future in that portion. We examined the following threats: development, invasive and exotic species, and increased drought, including cumulative effects.

The NCNHP monitored 13 populations of dwarf-flowered heartleaf throughout the species' range. Eleven of the 13 populations had invasive, exotic species identified as a threat, indicating that invasive, exotic species are found throughout the range and not concentrated in any specific location. Effects of increased drought, as discussed previously, are very uniform throughout the range (NCCV 2016 unpaginated). The opportunity for habitat loss and destruction due to development is higher on privately owned lands that could be sold for future development (Clarke 1995, entire). Of the 78 populations evaluated, we determined that 31 percent are permanently protected and another 23 percent are partially protected (*i.e.*, voluntary landowner agreements). The unprotected populations are spread throughout the species' range and not geographically clustered together. While there is some variability in the habitats occupied by dwarf-flowered heartleaf across its range, the basic ecological components required for the species to complete its life cycle are present

throughout the habitats occupied by the 78 populations of the species.

We found no biologically meaningful portion of the dwarf-flowered heartleaf range where threats are impacting individuals differently from how they are affecting the species elsewhere in its range such that the status of the species in that portion differs from its status in any other portion of the species' range.

Therefore, we find that the species is not in danger of extinction now or likely to become so within the foreseeable future in any significant portion of its range. This does not conflict with the courts' holdings in *Desert Survivors v. Department of the Interior*, 321 F. Supp. 3d 1011, 1070–74 (N.D. Cal. 2018), and *Center for Biological Diversity v. Jewell*, 248 F. Supp. 3d 946, 959 (D. Ariz. 2017) because, in reaching this conclusion, we did not apply the aspects of the Final Policy on Interpretation of the Phrase “Significant Portion of Its Range” in the Endangered Species Act's Definitions of “Endangered Species” and “Threatened Species” (79 FR 37578, July 1, 2014), including the definition of “significant,” that those court decisions held to be invalid.

Determination of Status

Our review of the best available scientific and commercial data available indicates that the dwarf-flowered heartleaf does not meet the definition of an endangered species or a threatened species in accordance with sections 3(6) and 3(20) of the Act. In accordance with our regulations at 50 CFR 424.11(e)(2) currently in effect, dwarf-flowered heartleaf has recovered to the point at which it no longer meets the definition of an endangered species or a threatened species. Therefore, we are removing the dwarf-flowered heartleaf from the List of Endangered and Threatened Plants.

Effects of This Rule

This rule revises 50 CFR 17.12(h) by removing the dwarf-flowered heartleaf from the Federal List of Endangered and Threatened Plants. On the effective date of this rule (see **DATES**, above), the prohibitions and conservation measures provided by the Act, particularly through sections 7 and 9, will no longer apply to the dwarf-flowered heartleaf. Federal agencies will no longer be required to consult with the Service under section 7 of the Act in the event that activities they authorize, fund, or carry out may affect the dwarf-flowered heartleaf. There is no critical habitat designated for this species, so there will be no effect to 50 CFR 17.96.

Post-Delisting Monitoring

Section 4(g)(1) of the Act requires us, in cooperation with the States, to implement a monitoring program for not less than 5 years for all species that have been recovered. Post-delisting monitoring (PDM) refers to activities undertaken to verify that a species delisted due to recovery remains secure from the risk of extinction after the protections of the Act no longer apply. The primary goal of PDM is to monitor the species to ensure that its status does not deteriorate, and if a decline is detected, to take measures to halt the decline so that proposing it as an endangered or threatened species is not again needed. If at any time during the monitoring period, data indicate that protective status under the Act should be reinstated, we can initiate listing procedures, including, if appropriate, emergency listing.

We have prepared a PDM plan for dwarf-flowered heartleaf. We published a notice of availability of a draft PDM plan with the proposed delisting rule (86 FR 21994). We did not receive any comments on the plan. Therefore, we consider the plan final. As discussed in the proposed rule, the PDM plan: (1) summarizes the status of dwarf-flowered heartleaf at the time of proposed delisting; (2) describes frequency and duration of monitoring; (3) discusses monitoring methods and potential sampling regimes; (4) defines what potential triggers will be evaluated to address the need for additional monitoring; (5) outlines reporting requirements and procedures; (6) proposes a schedule for implementing the PDM plan; and (7) defines responsibilities. It is our intent to work with our partners towards maintaining the recovered status of the dwarf-flowered heartleaf.

Required Determinations

Government-to-Government Relationship With Tribes

In accordance with the President's memorandum of April 29, 1994 (Government-to-Government Relations with Native American Tribal Governments; 59 FR 22951, May 4, 1994), Executive Order 13175 (Consultation and Coordination with Indian Tribal Governments), the President's memorandum of November 30, 2022 (Uniform Standards for Tribal Consultation; 87 FR 74479, December 5, 2022), and the Department of the Interior's manual at 512 DM 2, we readily acknowledge our responsibility to communicate meaningfully with recognized Federal Tribes and Alaska Native Corporations on a government-to-government basis. In accordance with Secretary's Order 3206 of June 5, 1997 (American Indian Tribal Rights, Federal-Tribal Trust Responsibilities, and the Endangered Species Act), we readily acknowledge our responsibilities to work directly with Tribes in developing programs for healthy ecosystems, to acknowledge that Tribal lands are not subject to the same controls as Federal public lands, to remain sensitive to Indian culture, and to make information available to Tribes. We have determined that no Tribes will be affected by this final rule because no Tribal lands, sacred sites, or resources will be affected by the removal of the dwarf-flowered heartleaf from the List of Endangered and Threatened Plants.

References Cited

A complete list of references cited in this rulemaking is available on the internet at <https://www.regulations.gov> under Docket No. FWS-R4-ES-2019-0081 and upon request from the Asheville Ecological Services Field Office (see **FOR FURTHER INFORMATION CONTACT**, above).

Authors

The primary authors of this final rule are staff members of the Service's

Species Assessment Team and the Asheville Ecological Services Field Office.

List of Subjects in 50 CFR Part 17

Endangered and threatened species, Exports, Imports, Reporting and recordkeeping requirements, Transportation.

Signing Authority

Paul Souza, Regional Director, Region 8, Exercising the Delegated Authority of the Director of the U.S. Fish and Wildlife Service, approved this action on June 13, 2025, for publication. On June 26, 2025, Paul Souza authorized the undersigned to sign the document electronically and submit it to the Office of the Federal Register for publication as an official document of the U.S. Fish and Wildlife Service.

Regulation Promulgation

Accordingly, we amend part 17, subchapter B of chapter I, title 50 of the Code of Federal Regulations, as set forth below:

PART 17—ENDANGERED AND THREATENED WILDLIFE AND PLANTS

■ 1. The authority citation for part 17 continues to read as follows:

Authority: 16 U.S.C. 1361–1407; 1531–1544; and 4201–4245, unless otherwise noted.

§ 17.12 [Amended]

■ 2. In § 17.12, amend paragraph (h) by removing the entry for “*Hexastylis naniflora*” under FLOWERING PLANTS from the List of Endangered and Threatened Plants.

Madonna Baucum,

Regulations and Policy Chief, Division of Policy, Economics, Risk Management, and Analytics of the Joint Administrative Operations, U.S. Fish and Wildlife Service.

[FR Doc. 2025–12196 Filed 7–7–25; 8:45 am]

BILLING CODE 4333–15–P

Proposed Rules

Federal Register

Vol. 90, No. 128

Tuesday, July 8, 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.

FEDERAL LABOR RELATIONS AUTHORITY

5 CFR Part 2419

Implementation of the Administrative False Claims Act

AGENCY: Federal Labor Relations Authority.

ACTION: Proposed rule.

SUMMARY: This proposed rule would establish procedural regulations for the Administrative False Claims Act (AFCA) at the Federal Labor Relations Authority (FLRA). The Administrative False Claims Act is at 31 U.S.C. 3801 through 3812.

DATES: Written comments must be received on or before September 8, 2025.

ADDRESSES: You may send comments, which must include the caption “Implementation of the Administrative False Claims Act,” by one of the following methods:

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for sending comments.
- *Email:* SolMail@flra.gov. Include the caption “Implementation of the Administrative False Claims Act” in the subject line of the message.
- *Mail:* Thomas Tso, Solicitor, Federal Labor Relations Authority, 1400 K Street NW, Washington, DC 20424–0001.

Instructions: Do not mail written comments if they have been submitted via email. Interested persons who mail written comments must submit an original and 4 copies of each written comment, with any enclosures, on 8½ x 11 inch paper. Do not deliver comments by hand.

Docket: For access to the docket to read background documents or comments received, go to <https://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Thomas Tso, Solicitor and Federal Register Liaison, (771) 444–5779, SolMail@flra.gov.

SUPPLEMENTARY INFORMATION:

I. Background

Congress originally enacted the Program Fraud Civil Remedies Act (PFCRA) in 1986. The purpose of the PFCRA was twofold: (1) to provide agencies that were the victims of false claims and statements an administrative remedy; and (2) to provide due process for all parties subject to that remedy. Public Law 99–509, sec. 6102 (October 21, 1986) (findings and purposes at 31 U.S.C. 3801 note).

On December 23, 2024, the Servicemember Quality of Life Improvement and National Defense Authorization Act for Fiscal Year 2025 amended the PFCRA. Among other things, the amendments changed the PFCRA’s name to the Administrative False Claims Act (AFCA). Public Law 118–159, sec. 5203(a). In that legislation, Congress also mandated that agencies promulgate regulations and procedures to carry out the AFCA within 180 days of enactment. Public Law 118–159, sec. 5203(j). This proposed rule includes the regulations required by that provision. The intent of this proposed rule is to cite the controlling statute when possible, repeating statutory provisions in the regulation only where necessary for the convenience of the regulated public.

Initial Inflation Adjustment of Penalties

The Bipartisan Budget Act of 2015 included the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (the 2015 Inflation Adjustment Act). Public Law 114–74, sec. 701 (November 2, 2015). The 2015 Inflation Adjustment Act amended a previous statutory scheme in order to improve the effectiveness of civil monetary penalties and to maintain their deterrent effect. Among other things, the 2015 Inflation Adjustment Act mandated an initial catch-up inflation adjustment for certain civil penalties by August 1, 2016, to be followed by annual inflation adjustments each year thereafter. 28 U.S.C. 2461 note. The statute capped the initial inflation increase at 150% of the original penalty.

The FLRA did not have regulations for the Program Fraud Civil Remedies Act, the previous name of the AFCA, in 2015. The FLRA, therefore, could not adjust penalties under the 2015 Inflation Adjustment Act contemporaneously

with the first adjustment period. We have determined that the FLRA can, however, adjust AFCA penalties consistent with the 2015 Inflation Adjustment Act. That adjustment remains constrained by the initial inflation adjustment cap.

Accordingly, we are adjusting the penalty amount for the AFCA from the statutory \$5,000 to \$12,500. We arrived at this figure by determining the maximum increase permitted by the 2015 Inflation Adjustment Act—150 percent of \$5,000, or \$7,500—and adding that amount to the base \$5,000 penalty to yield a \$12,500 adjusted penalty amount. This adjustment resulted in a lower increase than a full Consumer Price Index adjustment comparing October 1984 with March 2025 on the publicly available Bureau of Labor Statistics website at https://www.bls.gov/data/inflation_calculator.htm (last accessed April 22, 2025). The FLRA invites public comment on its adjustment methodology and results.

II. Findings and Certifications

Regulatory Planning and Review: Executive Orders 12866, 14215, and 14192 direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. This proposed rule has not been designated a “significant regulatory action” under section 3(f) of Executive Order 12866. Accordingly, this proposed rule has not been reviewed by the Office of Management and Budget (OMB) as a significant regulatory action.

This regulatory action determination is based on the limited scope of the proposed rule and the FLRA’s statutory mission. The proposed regulations are required by the AFCA and would only affect an entity suspected of making a false claim or statement related to the FLRA. Furthermore, claims and statements subject to the AFCA are capped at \$1 million.

Legality and National Interest: Executive Order 14219 directs agencies to evaluate potential new regulations under factors related to legality and the national interest. The FLRA has determined the proposed rule is lawful and in the national interest as the proposed rule is narrowly tailored to comply with the AFCA and will provide a tool for the FLRA to recover

misappropriated taxpayer funds and deter misconduct.

Regulatory Flexibility Analysis: Pursuant to section 605(b) of the Regulatory Flexibility Act, 5 U.S.C. 605(b), the FLRA has determined that this proposed rule will not have a significant impact on a substantial number of small entities. The AFCA only affects entities suspected of making false claims or statements and, except in proceedings arising from such suspected false claims or statements, imposes no duties or obligations on small entities.

Unfunded Mandates Reform Act of 1995: This proposed rule change will not result in the expenditure by state, local, and tribal governments, in the aggregate, or by the private sector, of \$100,000,000 or more in any one year, and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

Small Business Regulatory Enforcement Fairness Act of 1996: This action is not a major rule as defined by section 804 of the Small Business Regulatory Enforcement Fairness Act of 1996, 5 U.S.C. 804. This proposed rule will not result in an annual effect on the economy of \$100,000,000 or more; a major increase in costs or prices; or significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based companies to compete with foreign-based companies in domestic and export markets.

Paperwork Reduction Act: The proposed rule contains no additional information collection or record-keeping requirements under the Paperwork Reduction Act of 1995, 44 U.S.C. 3501, *et seq.*

Providing Accountability Through Transparency Act: The Providing Accountability Through Transparency Act (Pub. L. 118–9) requires each agency, in providing notice of a rulemaking, to post online a brief plain-language summary of the proposed rule. The required summary of the document is available at <https://www.regulations.gov>.

List of Subjects in 5 CFR Part 2419

Administrative practice and procedure

For the reasons stated in the preamble, the FLRA proposes to amend 5 CFR chapter XIV as set forth below:

Add part 2419 to read as follows:

PART 2419—THE ADMINISTRATIVE FALSE CLAIMS ACT

Sec.

2419.1 Background.

2419.2 Definitions.

2419.3 Pre-complaint Procedures.

2419.4 Complaint and Prehearing Procedures.

2419.5 Hearing Procedures.

2419.6 Post-hearing Procedures.

Authority: 31 U.S.C. 3803(g), 3809; Sec. 5203(j), Pub. L. 118–159, 138 Stat. 2440.

§ 2419.1 Background.

(a) **Legal authority.** This subpart implements the Administrative False Claims Act, codified at 31 U.S.C. 3801 through 3812. Section 3809 of that Act requires each authority head to promulgate regulations necessary to implement the provisions of the statute. Administrative False Claims Act liability is identified at 31 U.S.C. 3802. Liability for false claims can include an assessment of up to twice the amount of the false claim and a civil penalty. Liability for a false statement is a civil penalty. The civil penalty for a false claim or false statement actionable under that section is \$12,500.

(b) **Limitations.** A notice to a person alleged to be liable under the Administrative False Claims Act referenced in 31 U.S.C. 3803(d)(1) must be mailed or delivered by the timeframes noted in 31 U.S.C. 3808(a). Those timeframes are the later of: 6 years after the date on which the violation of 31 U.S.C. 3802 is committed; or 3 years after the date on which facts material to the action are known or reasonably should have been known by the authority head, but in no event more than 10 years after the date on which the violation is committed. A civil action to recover a penalty or assessment must be commenced within the 3-year timeframe noted in 31 U.S.C. 3808(b).

(c) **Computation of time.** In computing any period of time under this part or in an order issued thereunder, the time begins with the day following the act, event, or default, and includes the last day of the period, unless the last day is a Saturday, Sunday, or legal holiday observed by the Federal Government, in which event the period includes the next business day.

(1) When the period of time allowed is less than 7 days, intermediate Saturdays, Sundays, and legal holidays observed by the Federal Government shall be excluded from the computation.

(2) Where a document has been served or issued by placing it in the mail, an additional 5 days will be added to the time permitted for any response.

(d) **Stays ordered by the Department of Justice.** If, at any time, the Attorney General or an Assistant Attorney General designated by the Attorney General transmits to the authority head a written finding that continuation of the administrative process described in this part with respect to a claim or statement may adversely affect any pending or potential criminal or civil action related to such claim or statement, the authority head shall stay the process immediately. The authority head may order the process resumed only upon receipt of the written authorization of the Attorney General, the Assistant Attorney General who ordered the stay, or other appropriate Department of Justice Official.

(e) **Additional referrals.** Federal agencies that receive or discover any specific information regarding bribery, gratuities, conflict of interest, or other corruption or similar activity in relation to a false claim or statement, must immediately report that information consistent with the requirements of 31 U.S.C. 3808(c) to the Attorney General and agency Inspector General as appropriate.

(f) **Board of contract appeals.** If a Federal agency uses a presiding officer who is a member of a board of contract appeals as permitted by 31 U.S.C. 3801(a)(7)(C) for a matter, the procedural rules implemented by that board of contract appeals will control the litigation of that matter to the extent there is an inconsistency between the board's procedural rules and the procedural rules of this part.

§ 2419.2 Definitions.

(a) **Definitions from the statute.** The definitions of “authority,” “claim,” “investigating official,” “knows or has reason to know,” “person,” “presiding officer,” “reviewing official,” “statement,” “material,” and “obligation” are found in 31 U.S.C. 3801. The investigating official at the Federal Labor Relations Authority is identified as the Federal Labor Relations Authority's Inspector General, and the Federal Labor Relations Authority's Solicitor is designated to be the reviewing official by the authority head at the Federal Labor Relations Authority.

(b) **Complaint** means the administrative complaint served by the reviewing official on the defendant under § 2419.4(c) of this chapter.

(c) **Defendant** means any person alleged in a complaint under § 2419.4(a) of this chapter to be liable for a civil penalty or assessment under § 2419.1 of this chapter.

(d) *Authority Head* means the Chairman of the Federal Labor Relations Authority.

§ 2419.3 Pre-complaint Procedures.

(a) *Investigating Official*. The investigating official may elect to investigate matters potentially resulting in an Administrative False Claims Act action using the subpoena authority at 31 U.S.C. 3804, or any other authority granted to the investigating official, such as the authority of the Inspector General Act at 5 United States Code, Chapter 4.

(1) If the investigating official concludes that an action under the Administrative False Claims Act may be warranted, the investigating official shall submit a report containing the findings and conclusions of such investigation to the reviewing official.

(2) Nothing in this section shall preclude or limit the investigating official's discretion to refer allegations directly to the Department of Justice for suit under the False Claims Act (31 U.S.C. 3729–3733) or other civil relief, or to defer or postpone a report or referral to the reviewing official to avoid interference with a criminal investigation or prosecution.

(3) Nothing in this section modifies any responsibility of the investigating official to report violations of criminal law to the Attorney General.

(b) *Reviewing Official*. The procedures for the reviewing official are as follows:

(1) *Determination*. If, based on the report of the investigating official under § 2419.3(a)(2), the reviewing official determines that there is adequate evidence to believe that a person is liable under the Administrative False Claims Act, and there is a reasonable prospect of collecting, from a person with respect to whom the reviewing official is referring allegations of liability in such notice, the amount for which such person may be liable, the reviewing official shall transmit to the Attorney General a written notice of the reviewing official's intention to have a complaint issued under § 2419.4(a) of this chapter.

(2) *Written Notice*. A written notice of the reviewing official's intention to have a complaint issued under § 2419.4(a) of this chapter shall include:

(i) A statement of the reviewing official's reasons for issuing a complaint;

(ii) A statement specifying the evidence that supports the allegations of liability;

(iii) A description of the claims or statements upon which the allegations of liability are based;

(iv) An estimate of the amount of money, or the value of property, services, or other benefits, requested or demanded in violation of the Administrative False Claims Act;

(v) A statement of any exculpatory or mitigating circumstances that may relate to the claims or statements known by the reviewing official or the investigating official; and

(vi) A statement that there is a reasonable prospect of collecting an appropriate amount of penalties and assessments.

(c) *Request for Authorization from the Department of Justice*. The reviewing official may issue a complaint under § 2419.4(a) of this chapter only if:

(1) The Department of Justice approves the issuance of a complaint in a written statement described in 31 U.S.C. 3803(b)(1), and

(2) In the case of allegations of liability under 31 U.S.C. 3802(a)(1) with respect to a claim, the reviewing official determines that, with respect to such claim or a group of related claims submitted at the same time such claim is submitted, the amount of money, or the value of property or services, demanded or requested in violation of section 3802(a)(1) does not exceed \$1,000,000.

(3) For the purposes of this section, a related group of claims submitted at the same time shall include only those claims arising from the same transaction (e.g., grant, loan, application, or contract) that are submitted simultaneously as part of a single request, demand, or submission.

(4) Nothing in this section shall be construed to limit the reviewing official's authority to join in a single complaint against a person, claims that are unrelated or were not submitted simultaneously, regardless of the amount of money, or the value of property or services, demanded or requested.

(d) *Written Notifications*. The reviewing official shall make all appropriate written notifications required by section 3803(j)(2) of title 31 of the United States Code.

§ 2419.4 Complaint and Pre-Hearing Procedures.

(a) *Complaint*. The reviewing official will identify the allegations of liability in a complaint. The complaint must identify the following:

(1) The allegations of liability against the defendant, including the statutory basis for liability, an identification of the claims or statements that are the basis for the alleged liability, and the reasons why liability allegedly arises from such claims or statements;

(2) The maximum amount of penalties and assessments for which the defendant may be held liable;

(3) Instructions for filing an answer, including a specific statement of the defendant's right to request a hearing and to be represented by a representative;

(4) Identification and contact information for the governmental employee representing the reviewing official in the matter if the reviewing official is not handling the matter personally; and

(5) The fact that failure to file an answer within 30 days of service of the complaint will result in the imposition of the maximum amount of penalties and assessments without right to appeal, as provided in § 2419.4(e).

(6) At the same time the reviewing official serves the complaint, he or she shall serve the defendant with a copy of these regulations or identify a free online resource where the defendant can access these regulations.

(b) *Service of the complaint*. The Federal Labor Relations Authority must mail or deliver the complaint to the person alleged to be liable in accordance with 31 U.S.C. 3803(d)(1) within the time limitations identified at 31 U.S.C. 3808(a).

(c) *Answer*. The defendant may file an answer to the complaint within 30 days of service of the complaint by mail or facsimile to the reviewing official (current mailing address and facsimile numbers posted at <https://www.flra.gov/components-offices/offices/office-solicitor>).

(1) In the answer, the defendant:

(i) Shall admit or deny each of the allegations of liability made in the complaint;

(ii) Shall state any defense on which the defendant intends to rely;

(iii) May state any reasons why the defendant contends that the penalties and assessments should be less than the statutory maximum; and

(iv) Shall state the name, postal address, electronic mail address, and telephone number of the person authorized by the defendant to act as defendant's representative, if any.

(2) *Hearing*. The defendant may request a hearing with the presiding officer within 30 days of service of the complaint. Upon receipt of an answer, the reviewing official shall file the complaint and answer with the presiding officer.

(3) *General answer*. If the defendant is unable to file an answer meeting the requirements of paragraph (1) of this section within the time provided, the defendant may, before the expiration of 30 days from service of the complaint,

file with the reviewing official a general answer denying liability and requesting a hearing, and a request for an extension of time within which to file an answer meeting the requirements of paragraph (1) of this section. The reviewing official shall file promptly with the presiding officer the complaint, the general answer denying liability, and the request for an extension of time as provided in § 2419.4(e) of this chapter. For good cause shown, the presiding officer may grant the defendant up to 30 additional days within which to file an answer meeting the requirements of paragraph (1) of this section. The presiding officer shall decide expeditiously whether the defendant shall be granted an additional period of time to file such answer.

(e) *Default upon failure to file an answer.* If the defendant does not file an answer within the time prescribed in § 2419.4 of this chapter, the reviewing official must refer the complaint to the presiding officer within a reasonable time.

(1) Upon the referral of the complaint, the presiding officer shall promptly serve on the defendant in the manner prescribed in § 2419.4(c) of this chapter, a notice that an initial decision will be issued under this section.

(2) The presiding officer shall assume the facts alleged in the complaint to be true and, if such facts establish liability under 31 U.S.C. 3802, the presiding officer shall issue an initial decision imposing the maximum amount of penalties and assessments allowed under the statute.

(3) Except as otherwise provided in this section, by failing to file a timely answer the defendant waives any right to further review of the penalties and assessments imposed under paragraph (2) of this section and the initial decision shall become final and binding upon the parties 30 days after it is issued.

(4) If, before such an initial decision becomes final, the defendant files a motion with the presiding officer seeking to reopen on the grounds that extraordinary circumstances prevented the defendant from filing an answer, the initial decision shall be stayed pending the presiding officer's decision on the motion.

(5) If, on such motion, the defendant can demonstrate extraordinary circumstances excusing the failure to file a timely answer, the presiding officer shall withdraw the initial decision in paragraph (2) of this section, if such a decision has been issued, and shall grant the defendant an opportunity to answer the complaint.

(6) A decision of the presiding officer denying a defendant's motion under paragraph (4) of this section is not subject to reconsideration under § 2419.6(d) of this chapter.

(7) The defendant may appeal to the authority head the decision denying a motion to reopen by filing a notice of appeal with the authority head within 15 days after the presiding officer denies the motion. The timely filing of a notice of appeal shall stay the initial decision until the authority head decides the issue.

(8) If the defendant files a timely notice of appeal with the authority head, the presiding officer shall forward the record of the proceeding to the authority head.

(9) The authority head shall decide expeditiously whether extraordinary circumstances excuse the defendant's failure to file a timely answer based solely on the record before the presiding officer.

(10) If the authority head decides that extraordinary circumstances excused the defendant's failure to file a timely answer, the authority head shall remand the case to the presiding officer with instructions to grant the defendant an opportunity to answer.

(11) If the authority head decides that the defendant's failure to file a timely answer is not excused, the authority head shall reinstate the initial decision of the presiding officer, which shall become final and binding upon the parties 30 days after the authority head issues such decision.

(f) *Presiding officer disqualification and authorities.* A presiding officer may be removed from a case on the presiding officer's own initiative or on motion by the parties for disqualification of the presiding officer.

(1) *Motion and Affidavit.* The motion shall be accompanied by an affidavit alleging personal bias or other reason for disqualification.

(i) Such motion and affidavit shall be filed promptly upon the party's discovery of reasons requiring disqualification, or such objections shall be deemed waived.

(ii) Such affidavit shall state specific facts that support the party's belief that personal bias or other reason for disqualification exists and the time and circumstances of the party's discovery of such facts. It shall be accompanied by a certificate of the representative of record that it is made in good faith.

(iii) Upon the filing of such a motion and affidavit, the presiding officer shall proceed no further in the case until he or she resolves the matter of disqualification in accordance with this section.

(2) *Authority of the presiding officer.* The presiding officer shall conduct a fair and impartial hearing, avoid delay, maintain order, and assure that a record of the proceeding is made. The presiding officer has the authority to:

(i) Set and change the date, time, and place of the hearing upon reasonable notice to the parties;

(ii) Continue or recess the hearing in whole or in part for a reasonable period of time;

(iii) Hold conferences to identify or simplify the issues, or to consider other matters that may aid in the expeditious disposition of the proceeding;

(iv) Administer oaths and affirmations;

(v) For the purpose of conducting a hearing, the presiding officer may issue subpoenas requiring the attendance and testimony of witnesses as well as the production of information as set forth in 31 U.S.C. 3804(b)(2);

(vi) Rule on motions and other procedural matters;

(vii) Regulate the requirements regarding motions including requiring any oral motion to be reduced to writing and establishing the time within which a response to any written motion will be due if the motion will not be due within 15 days after the written motion is served;

(viii) Regulate the scope and timing of discovery;

(ix) Regulate the course of the hearing and the conduct of representatives and parties to include imposing sanctions such as drawing adverse inferences, striking pleadings, deeming items admitted, restricting use of evidence, dismissing an action, or issuing an initial decision—that reasonably relate to the severity and nature of the failure or misconduct;

(x) Examine witnesses;

(xi) Receive, rule on, exclude, or limit evidence;

(xii) Upon motion of a party, take official notice of facts;

(xiii) Upon motion of a party, decide cases, in whole or in part, by summary judgment where there is no disputed issue of material fact;

(xiv) Conduct any conference, argument, or hearing on motions in person or by telephone, videoconference, or other virtual method; and

(xv) Exercise such other authority as is necessary to carry out the responsibilities of the presiding officer under this part.

(xvi) Irrespective of any implications of the above, the presiding officer does not have the authority to find Federal statutes or regulations invalid.

(xvii) Additionally, the presiding officer shall not, except to the extent

required for the disposition of ex parte matters as authorized by law:

(A) Consult a person or party on a fact in issue, unless on notice and opportunity for all parties to the hearing to participate; or

(B) Be responsible to or subject to the supervision or direction of the investigating official or the reviewing official.

(g) *Prehearing*. The prehearing procedures are as follows:

(1) *Entitlement to review and obtain information*. Defendants receiving notice of the hearing from the presiding officer under 31 U.S.C. 3803(d)(2)(B) are entitled to information identified in 31 U.S.C. 3803(e), including a copy of all relevant and material documents, transcripts, records, and other materials, which relate to the allegations and upon which the findings and conclusions of the investigating official are based. Defendants should request any such information from the Government's point of contact identified in the complaint. The Government's point of contact will provide all requested information expeditiously. Information subject to payment of a fee will be expeditiously provided upon payment of any applicable reasonable duplication fee.

(2) *Discovery*. Unless mutually agreed to by the parties, discovery is available only as ordered by the presiding officer.

(i) The presiding officer may order the following types of discovery:

(A) Requests for production of documents for inspection and copying;

(B) Requests for admissions of the authenticity of any relevant document or of the truth of any relevant fact;

(C) Written interrogatories; and

(D) Depositions.

(ii) A party seeking discovery must file a motion with the presiding officer. Such a motion shall be accompanied by a copy of the requested discovery, or in the case of depositions, a summary of the scope of the proposed deposition. Within 10 days of service, a party may file an opposition to the motion and/or a motion for protective order as provided in § 2419.4(g)(3) of this chapter. The presiding officer may grant a motion for discovery only if he or she finds that the discovery sought:

(A) Is necessary for the expeditious, fair, and reasonable consideration of the issues;

(B) Is not unduly costly or burdensome;

(C) Will not unduly delay the proceeding; and

(D) Does not seek privileged information.

(iii) The burden of showing that discovery should be allowed is on the party seeking discovery.

(iv) The presiding officer shall regulate the timing of discovery.

(3) *Protective orders*. A party or a prospective witness or deponent may file a motion for a protective order with respect to discovery sought by an opposing party or with respect to the hearing, seeking to limit the availability or disclosure of evidence. The presiding officer may issue any order which justice requires to protect a party or person from annoyance, embarrassment, oppression, or undue burden or expense, including one or more of the following:

(i) That the discovery not be had;

(ii) That the discovery may be had only on specified terms and conditions, including a designation of the time or place;

(iii) That the discovery may be had only through a method of discovery other than that requested;

(iv) That certain matters not be the subject of inquiry, or that the scope of discovery be limited to certain matters;

(v) That discovery be conducted with no one present except persons designated by the presiding officer;

(vi) That the contents of discovery or evidence be sealed;

(vii) That a sealed deposition be opened only by order of the presiding officer;

(viii) That a trade secret or other confidential research, development, commercial information, or facts pertaining to any criminal investigation, proceeding, or other administrative investigation not be disclosed or be disclosed only in a designated way; or

(ix) That the parties simultaneously file specified documents.

(4) *Prehearing orders*. The presiding officer shall issue scheduling orders the presiding officer deems appropriate to ensure a fair and impartial hearing, avoid delay, maintain order, and assure that a record of the proceeding is made. At a minimum, the presiding officer must issue an order that:

(i) Sets the hearing in a location permissible under 31 U.S.C. 3803(g)(4);

(ii) Provides the written notice required by 31 U.S.C. 3803(g)(2)(A);

(iii) Governs the exchange of witness lists, statements, and exhibits;

(iv) Ensures the defendant has an opportunity to present their case, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts; and

(v) Includes in any written notice of a hearing to a defendant a description of the procedures for the conduct of the hearing.

§ 2419.5 Hearing.

(a) *Determinations*. The presiding officer will conduct the hearing consistent with that officer's authority to make the determinations identified in 31 U.S.C. 3803(f) by a preponderance of the evidence.

(b) *Determining the amount of penalties and assessments*. In determining an appropriate amount of civil penalties and assessments, the presiding officer and the authority head, upon appeal, should evaluate any circumstances that mitigate or aggravate the violation and should articulate in their opinions the reasons that support the penalties and assessments they impose. Because of the intangible costs of fraud, the expense of investigating such conduct, and the need to deter others who might be similarly tempted, double damages and a significant civil penalty ordinarily should be imposed. Although not exhaustive, the following factors are among those that may influence the presiding officer and the authority head in determining the amount of penalties and assessments to impose with respect to the misconduct (*i.e.*, the false, fictitious, or fraudulent claims or statements) charged in the complaint:

(1) The number of false, fictitious or fraudulent claims or statements;

(2) The time period over which such claims or statements were made;

(3) The degree of the defendant's culpability with respect to the misconduct;

(4) The amount of money or the value of the property, services, or benefit falsely claimed;

(5) The cost of the Government's actual loss as a result of the misconduct, including foreseeable consequential damages and the costs of investigation;

(6) The relationship of the amount imposed as civil penalties to the amount of the Government's loss;

(7) The potential or actual impact of the misconduct upon public confidence in the management of Government programs and operations;

(8) Whether the defendant has engaged in a pattern of the same or similar misconduct;

(9) Whether the defendant attempted to conceal the misconduct;

(10) The degree to which the defendant has involved others in the misconduct or in concealing it;

(11) Where the misconduct of employees or agents is imputed to the defendant, the extent to which the defendant's practices fostered or attempted to preclude such misconduct;

(12) Whether the defendant cooperated in or obstructed an investigation of the misconduct;

(13) Whether the defendant assisted in identifying and prosecuting other wrongdoers;

(14) The complexity of the program or transaction, and the degree of the defendant's sophistication with respect to it, including the extent of the defendant's prior participation in the program or in similar transactions;

(15) Whether the defendant has been found, in any criminal, civil, or administrative proceeding to have engaged in similar misconduct or to have dealt dishonestly with the Government of the United States or of a state, directly or indirectly;

(16) The need to deter the defendant and others from engaging in the same or similar misconduct; and

(17) The potential impact of the misconduct on the rights of others.

(c) *Other factors.* Nothing in this section shall be construed to limit the presiding officer or the authority head from considering any other factors that in any given case may mitigate or aggravate the offense for which penalties and assessments are imposed.

(d) *The Record.* The hearing shall be recorded and transcribed.

(1) Transcripts shall be available following the hearing at a cost not to exceed the actual cost of duplication and any court reporter's reasonable fee.

(2) The transcript of testimony, exhibits and other evidence admitted at the hearing, and all documents filed in the proceeding constitute the record for the decision by the presiding officer and the authority head.

(3) The record may be inspected and copied by anyone upon payment of a reasonable fee, unless otherwise ordered by the presiding officer.

§ 2419.6 Post-Hearing Procedures.

(a) *Post-hearing motions.* The presiding officer may decide any post-hearing motions.

(b) *Post-hearing briefs.* Any party may file a post-hearing brief. The presiding officer shall fix the time for filing such briefs, not to exceed 60 days from the date the parties receive the transcript of the hearing or, if applicable, the stipulated record. Such briefs may be accompanied by proposed findings of fact and conclusions of law. The presiding officer may permit the parties to file reply briefs.

(c) *Decision.* Except for good cause, the presiding officer shall issue a written decision required by 31 U.S.C. 3803(h) within 90 days after the time for submission of post-hearing briefs and reply briefs, if permitted, has expired.

(d) *Appeal to the authority head.* Parties may not appeal interlocutory rulings by the presiding officer to the authority head.

(1) Except in case of default, if the defendant is determined in the decision to be liable for a civil penalty or assessment, the defendant may appeal such decision to the authority head by filing a notice of appeal with the authority head in accordance with this section. A notice of appeal shall be accompanied by a written brief specifying exceptions to the decision and reasons supporting the exceptions.

(i) A notice of appeal may be filed at any time within 30 days after the presiding officer issues the decision.

(ii) The authority head may extend the initial 30-day period for an additional 30 days if the defendant files with the authority head a request for an extension within the initial 30-day period and shows good cause.

(2) The reviewing official's representative or other designated agency official may file a brief in opposition to the notice of appeal within 30 days of receiving the notice of appeal and accompanying brief.

(3) The authority head's review will occur within the limitations noted in 31 U.S.C. 3803(i)(2)(B) and (C). There is no right to appear personally before the authority head.

(e) *Judicial review.* Section 3805 of title 31, United States Code, authorizes judicial review by an appropriate United States District Court of a final decision of the authority head imposing penalties and/or assessments under this part and specifies the procedures for such review.

(f) *Collection.* Sections 3806 and 3808(b) of title 31, United States Code, authorize actions for collection of civil penalties and assessments imposed under this part and specify the procedures for such actions.

Dated: July 3, 2025.

Thomas Tso,

Solicitor, Federal Labor Relations Authority.

[FR Doc. 2025-12638 Filed 7-7-25; 8:45 am]

BILLING CODE 7627-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2025-1353; Project Identifier MCAI-2025-00236-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) 2024-25-06, which applies to all Airbus SAS Model A318-series airplanes; Model A319-111, -112, -113, -114, -115, -131, -132, -133, -151N, -153N, and -171N airplanes; Model A320-series airplanes; and Model A321-series airplanes. AD 2024-25-06 requires repetitive inspection of the main landing gear (MLG) doors, and, depending on findings, accomplishment of applicable corrective actions, and prohibits the installation of affected parts. The FAA has determined that replacing the MLG door is necessary to address the unsafe condition. This proposed AD would continue to require the actions in AD 2024-25-06 and would require replacing affected parts with serviceable parts. 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 August 22, 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-2025-1353; 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 European Union Aviation Safety Agency (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. You may find this material on the EASA website at [ad.easa.europa.eu](https://www.easa.europa.eu).

- 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: Dan Rodina, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; telephone 206–231–3225; email: dan.rodina@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–2025–1353; Project Identifier MCAI–2025–00236–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*, 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 Dan Rodina, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; telephone 206–231–3225; email: dan.rodina@faa.gov. Any commentary that the FAA receives which is not specifically designated as CBI will be placed in the public docket for this rulemaking.

Background

The FAA issued AD 2024–25–06, Amendment 39–22908 (89 FR 100734, December 13, 2024) (AD 2024–25–06), for all Airbus SAS Model A318–111, –112, –121, and –122 airplanes; Model A319–111, –112, –113, –114, –115, –131, –132, –133, –151N, –153N, and –171N airplanes; Model A320–211, –212, –214, –216, –231, –232, –233, –251N, –252N, –253N, –271N, –272N, and –273N airplanes; and Model A321–111, –112, –131, –211, –212, –213, –231, –232, –251N, –252N, –253N, –271N, –272N, –251NX, –252NX, –253NX, –253NY, –271NX, and –272NX airplanes. AD 2024–25–06 was prompted by an MCAI originated by EASA, which is the Technical Agent for the Member States of the European Union. EASA issued AD 2024–0216, dated November 15, 2024 (EASA AD 2024–0216), to correct an unsafe condition identified as incorrectly assembled MLG door actuators.

AD 2024–25–06 requires repetitive inspection of the MLG doors and replacing the door if it fails an inspection. The FAA issued AD 2024–25–06 to address incorrectly assembled MLG door actuators, which, if not detected and corrected, could prevent the extension of the MLG, possibly resulting in significant damage to the airplane and potentially causing a fire that would involve emergency evacuation of the passengers.

The FAA issued AD 2024–25–06 as a final rule; request for comment. AD 2024–25–06 did not include the requirement in paragraph (3) of EASA AD 2024–0216 to replace each affected part with a serviceable part within 12 months, if not already done as a result of the inspections. In the preamble to AD 2024–25–06, the FAA explained that the FAA had determined this replacement is necessary to address the unsafe condition, however, the compliance time would allow enough time to provide notice and opportunity for prior public comment. Accordingly, this NPRM would retain the requirements of AD 2024–25–06 but would also require replacing the MLG door with a serviceable MLG door within 12 months, if not already replaced as a result of the inspections.

You may examine the MCAI in the AD docket at *regulations.gov* under Docket No. FAA–2025–1353.

Explanation of Retained Requirements

Although this proposed AD does not explicitly restate the requirements of AD 2024–25–06, this proposed AD would retain all of the requirements of AD 2024–25–06. Those requirements are

referenced in EASA AD 2024–0216, which, in turn, is referenced in paragraph (g) of this proposed AD.

Material Incorporated by Reference Under 1 CFR Part 51

EASA AD 2024–0216 specifies procedures for repetitive inspections for any discrepancy of each affected MLG door, replacing affected parts, and eventual replacement of all affected parts. The discrepancy is defined as any MLG door actuator that does not meet all the results specified in the table in paragraph 5.6.2.2 in the material referenced in EASA AD 2024–0216. EASA AD 2024–0216 also prohibits the installation of affected parts. 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 require accomplishing the actions specified in EASA AD 2024–0216 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 2024–0216 by reference in the FAA final rule. This proposed AD would, therefore, require compliance with EASA AD 2024–0216 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 2024–0216 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 2024–0216. Material required by EASA AD 2024–0216 for compliance will be available at *regulations.gov* under Docket No. FAA–2025–1353 after the FAA final rule is published.

Costs of Compliance

The FAA estimates that this AD, if adopted as proposed, would affect 1,933 airplanes of U.S. registry. The FAA estimates the following costs to comply with this proposed AD:

ESTIMATED COSTS FOR REQUIRED ACTIONS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspection (retained from AD 2024–25–06).	2 work-hours × \$85 per hour = \$170	\$0	\$170 per inspection cycle.	\$328,610 per inspection cycle.
Replacement of MLG door	3 work-hours × \$85 per hour = \$255	9,324	\$9,579	\$18,516,207.

The FAA estimates the following costs to do any on-condition replacements that would be required

based on the results of any required or optional actions. The FAA has no way of determining the number of airplanes

that might need this on-condition replacement:

ESTIMATED COSTS OF ON-CONDITION REPLACEMENT OF MLG DOOR

Labor cost	Parts cost	Cost per product
7 work-hours × \$85 per hour = \$595	\$9,324	\$9,919

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) 2024–25–06, Amendment 39–22908 (89 FR 100734, December 13, 2024); and
■ b. Adding the following new AD:
Airbus SAS: Docket No. FAA–2025–1353; Project Identifier MCAI–2025–00236–T.

- (a) Comments Due Date**
- The FAA must receive comments on this airworthiness directive (AD) by August 22, 2025.
- (b) Affected ADs**
- This AD replaces AD 2024–25–06, Amendment 39–22908 (89 FR 100734, December 13, 2024) (AD 2024–25–06).
- (c) Applicability**
- This AD applies to all Airbus SAS airplanes, certificated in any category, as identified in paragraphs (c)(1) through (4) of this AD.
- (1) Model A318–111, –112, –121, and –122 airplanes.
- (2) Model A319–111, –112, –113, –114, –115, –131, –132, –133, –151N, –153N, and –171N airplanes.
- (3) Model A320–211, –212, –214, –216, –231, –232, –233, –251N, –252N, –253N, –271N, –272N, and –273N airplanes.
- (4) Model A321–111, –112, –131, –211, –212, –213, –231, –232, –251N, –252N, –253N, –271N, –272N, –251NX, –252NX, –253NX, –253NY, –271NX, and –272NX airplanes.
- (d) Subject**
- Air Transport Association (ATA) of America Code 32, Landing Gear.
- (e) Unsafe Condition**
- This AD was prompted by reports of jamming of, or inability to open, the main landing gear (MLG) door during maintenance operations. Investigations identified that certain MLG door actuators may not have been assembled correctly. The FAA is issuing this AD to address this condition, which, if not detected and corrected, could prevent the extension of the MLG, possibly resulting in significant damage to the airplane, and

potentially causing a fire that will involve emergency evacuation of the passengers.

(f) Compliance

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

(g) Requirements

Except as specified in paragraphs (h) and (i) of this AD: Comply with all required actions and compliance times specified in, and in accordance with, European Union Aviation Safety Agency (EASA) AD 2024–0216, dated November 15, 2024 (EASA AD 2024–0216).

(h) Exceptions to EASA AD 2024–0216

(1) Where paragraphs (1) and (5) of EASA AD 2024–0216 refer to its effective date, this AD requires using December 30, 2024 (the effective date of AD 2024–25–06).

(2) This AD does not adopt the “Remarks” section of EASA AD 2024–0216.

(3) Where EASA AD 2024–0216 defines a serviceable part as an “MLG actuator, eligible for installation in accordance with Airbus instructions, which is not an affected part,” this AD requires replacing that text with “MLG actuator, eligible for installation, which is not an affected part.”

(4) Where paragraph (1) of EASA AD 2024–0216 specifies to accomplish an inspection “in accordance with the instructions of the AOT,” this AD requires replacing that text with “in accordance with step 5.6.2 of the instructions of the AOT.”

(5) Where paragraph (2) of EASA AD 2024–0216 states “any discrepancy on an affected MLG door is detected, as defined in the AOT,” this AD requires replacing that text with “any MLG door actuator that does not meet all the results specified in the table in paragraph 5.6.2.2 in the referenced AOT is detected.”

(6) Where paragraph (3) of EASA AD 2024–0216 refers to its effective date, this AD requires using the effective date of this AD.

(i) No Reporting or Return of Parts Requirement

Although the material referenced in EASA AD 2024–0216 specifies to submit certain information and send removed parts to the manufacturer, this AD does not include that requirement.

(j) 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, AIR–520, Continued Operational Safety Branch, send it to the attention of the person identified in paragraph (k) of this AD and email to: 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 (j)(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.

(k) Additional Information

For more information about this AD, contact Dan Rodina, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; telephone 206–231–3225; email: dan.rodina@faa.gov.

(l) 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.

(3) The following material was approved for IBR on December 30, 2024 (89 FR 100734, December 13, 2024).

(i) European Union Aviation Safety Agency (EASA) AD 2024–0216, dated November 15, 2024.

(ii) [Reserved]

(4) 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. You may find this material on the EASA website at ad.easa.europa.eu.

(5) 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.

(6) 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 or email fr.inspection@nara.gov.

Issued on July 2, 2025.

Lona C. Saccomando,

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

[FR Doc. 2025–12642 Filed 7–7–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2025–1358; Project Identifier AD–2025–00620–T]

RIN 2120–AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to adopt a new airworthiness directive (AD) for all The Boeing Company (Boeing) Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes. This proposed AD was prompted by a report of improper grinding of the inner diameter of the main landing gear (MLG) outer cylinders, resulting in possible heat damage to the outer cylinders. This proposed AD would require a records check or inspection to determine if an affected outer cylinder is installed and replacing all affected outer cylinders. 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 August 22, 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. 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 under Docket No. FAA–2025–1358; 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, any comments received, and other information. The street address for Docket Operations is listed above.

Material Incorporated by Reference:

- For Boeing material identified in this proposed AD, contact Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminister Blvd., MC 110–SK57, Seal Beach, CA 90740–5600; telephone 562–797–1717; website myboeingfleet.com.
- 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. It is also available at regulations.gov under Docket No. FAA–2025–1358.

FOR FURTHER INFORMATION CONTACT:

Stefanie Roesli, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206–231–3964; email: stefanie.n.roesli@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 using a method listed under the ADDRESSES section. Include “Docket No. FAA–2025–1358; Project Identifier AD–2025–00620–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, 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 Stefanie Roesli, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206–231–3964; email: stefanie.n.roesli@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 has received a report of an MLG collapse on a Boeing Model 767 airplane that was last overhauled at a maintenance, repair, and operations (MRO) facility. An investigation by the MRO facility indicated that a grinder used to machine the inner diameter of the MLG outer cylinders was operating outside of its input parameters, which may have caused heat damage to the outer cylinders. The MRO facility identified 166 Boeing Model 737 MLG outer cylinders that had inner diameter machining performed with the suspect grinder. This condition, if not addressed, could cause failure of a principal structural element to sustain

its limit load, which could also result in loss of control of the airplane. Heat damage could also lead to collapse of the MLG, which could result in a runway departure, or to fracture of an outer cylinder, which could deviate from the intended breakaway sequence, impact the fuel tank and spill fuel, consequently creating a fire hazard.

FAA’s Determination

The FAA is issuing this NPRM after determining that the unsafe condition described previously is likely to exist or develop on other products of the same type design.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed Boeing Alert Requirements Bulletin 737–32A1585 RB, dated January 15, 2024. This material specifies procedures for performing a maintenance records check or an inspection of the left and right MLG outer cylinders to determine if any affected part numbers and serial numbers are installed and replacing affected outer cylinders. 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.

Proposed AD Requirements in This NPRM

This proposed AD would require accomplishing the actions specified in the service information already described, except for any differences identified as exceptions in the regulatory text of this proposed AD. For information on the procedures and compliance times, see this material at regulations.gov under Docket No. FAA–2025–1358.

Costs of Compliance

The FAA estimates that this AD, if adopted as proposed, would affect 1,833 airplanes of U.S. registry. The FAA estimates the following costs to comply with this proposed AD:

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspection or maintenance records check for affected parts.	2 work-hours × \$85 per hour = \$170	\$0	\$170	\$311,610

The FAA estimates the following costs to do any replacement that would be required based on the results of the

proposed inspection or maintenance records check. The agency has no way

of determining the number of airplanes that might need this replacement:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Replacement of MLG outer cylinder (166 affected parts).	62 work-hours × \$85 per hour = \$5,270	\$265,000	\$270,270 per MLG outer cylinder.

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 adding the following new airworthiness directive:

The Boeing Company: Docket No. FAA–2025–1358; Project Identifier AD–2025–00620–T.

(a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by August 22, 2025.

(b) Affected ADs

None.

(c) Applicability

This AD applies to The Boeing Company Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes, certificated in any category.

(d) Subject

Air Transport Association (ATA) of America Code 32, Landing Gear.

(e) Unsafe Condition

This AD was prompted by a report of improper grinding of the inner diameter of the main landing gear (MLG) outer cylinders, resulting in possible heat damage to the outer cylinder. The FAA is issuing this AD to address heat damage to the MLG outer cylinders. The unsafe condition, if not addressed, could cause failure of a principal structural element to sustain its limit load or collapse of the MLG, which could result in loss of control of the airplane or runway departure.

(f) Compliance

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

(g) Required Actions

Except as specified by paragraph (h) of this AD: At the applicable times specified in the "Compliance" paragraph of Boeing Alert Requirements Bulletin 737–32A1585 RB, dated January 15, 2024, do all applicable actions identified in, and in accordance with, the Accomplishment Instructions of Boeing Alert Requirements Bulletin 737–32A1585 RB, dated January 15, 2024.

Note 1 to paragraph (g): Guidance for accomplishing the actions required by this AD can be found in Boeing Alert Service Bulletin 737–32A1585, dated January 15,

2024, which is referred to in Boeing Alert Requirements Bulletin 737–32A1585 RB, dated January 15, 2024.

(h) Exceptions to Requirements Bulletin Specifications

Where the "Boeing Recommended Compliance Time" column in the table under the "Compliance" paragraph of Boeing Alert Requirements Bulletin 737–32A1585 RB, dated January 15, 2024, refers to the original issue date of Boeing Alert Requirements Bulletin 737–32A1585 RB, this AD requires using the effective date of this AD.

(i) Alternative Methods of Compliance (AMOCs)

(1) 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 certification office, send it to the attention of the person identified in paragraph (j)(1) of this AD. Information may be emailed to: 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) An AMOC that provides an acceptable level of safety may be used for any repair, modification, or alteration required by this AD if it is approved by The Boeing Company Organization Designation Authorization (ODA) that has been authorized by the Manager, AIR–520, Continued Operational Safety Branch, FAA, to make those findings. To be approved, the repair method, modification deviation, or alteration deviation must meet the certification basis of the airplane, and the approval must specifically refer to this AD.

(j) Related Information

(1) For more information about this AD, contact Stefanie Roesli, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206–231–3964; email: stefanie.n.roesli@faa.gov.

(2) Material identified in this AD that is not incorporated by reference is available at the address specified in paragraph (k)(3) this AD.

(k) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference 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 the AD specifies otherwise.

(i) Boeing Alert Requirements Bulletin 737–32A1585 RB, dated January 15, 2024.

(ii) [Reserved]

(3) For Boeing material identified in this AD, contact Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminister Blvd., MC 110–SK57, Seal Beach, CA 90740–5600; telephone 562–797–1717; website myboeingfleet.com.

(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 or email fr.inspection@nara.gov.

Issued on July 3, 2025.

Lona C. Saccomando,

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

[FR Doc. 2025–12677 Filed 7–7–25; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2025–1357; Project Identifier AD–2025–00618–T]

RIN 2120–AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to adopt a new airworthiness directive (AD) for all The Boeing Company (Boeing) Model 757–200, –200PF, and –200CB series airplanes. This proposed AD was prompted by a report of improper grinding of the inner diameter of the main landing gear (MLG) outer cylinders, resulting in possible heat damage to the outer cylinders. This proposed AD would require a records check or inspection to determine if an affected outer cylinder is installed and replacing all affected outer cylinders. 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 August 22, 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. 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 under Docket No. FAA–2025–1357; 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, any comments received, and other information. The street address for Docket Operations is listed above.

Material Incorporated by Reference:

- For Boeing material identified in this proposed AD, contact Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminister Blvd., MC 110–SK57, Seal Beach, CA 90740–5600; telephone 562–797–1717; website myboeingfleet.com.

- 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. It is also available at regulations.gov under Docket No. FAA–2025–1357.

FOR FURTHER INFORMATION CONTACT:

Stefanie Roesli, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206–231–3964; email: stefanie.n.roesli@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 using a method listed under the **ADDRESSES** section. Include “Docket No. FAA–2025–1357; Project Identifier AD–2025–00618–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, 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 Stefanie Roesli, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206–231–3964; email: stefanie.n.roesli@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 has received a report of an MLG collapse on a Boeing Model 767 airplane that was last overhauled at a maintenance, repair, and operations (MRO) facility. An investigation by the MRO facility indicated that a grinder used to machine the inner diameter of the MLG outer cylinders was operating outside of its input parameters, which may have caused heat damage to the outer cylinders. The MRO facility identified 20 Boeing Model 757 MLG outer cylinders that had inner diameter machining performed with the suspect grinder. This condition, if not addressed, could cause failure of a principal structural element to sustain its limit load, which could result in loss of control of the airplane. Heat damage could also lead to collapse of the MLG, which could result in a runway departure, or to fracture of an outer cylinder, which could deviate from the intended breakaway sequence, impact the fuel tank, and spill fuel, consequently creating a fire hazard.

FAA's Determination

The FAA is issuing this NPRM after determining that the unsafe condition described previously is likely to exist or develop on other products of the same type design.

Material Incorporated by Reference Under 1 CFR Part 51

The FAA reviewed Boeing Alert Requirements Bulletin 757–32A0216 RB, dated January 26, 2024. This material specifies procedures for performing a maintenance records check

or an inspection of the left and right MLG outer cylinders to determine if any affected part numbers and serial numbers are installed and replacing any affected outer cylinder. 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.

Proposed AD Requirements in This NPRM

This proposed AD would require accomplishing the actions specified in

the service information already described, except for any differences identified as exceptions in the regulatory text of this proposed AD. For information on the procedures and compliance times, see this material at *regulations.gov* under Docket No. FAA–2025–1357.

Costs of Compliance

The FAA estimates that this AD, if adopted as proposed, would affect 399 airplanes of U.S. registry. The FAA estimates the following costs to comply with this proposed AD:

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspection or maintenance records check for affected parts.	3 work-hours × \$85 per hour = \$255	\$0	\$255	\$101,745

The FAA estimates the following costs to do any replacement that would be required based on the results of the

proposed inspection or maintenance records check. The agency has no way

of determining the number of airplanes that might need this replacement:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Replacement of MLG outer cylinder (20 affected parts).	137 work-hours × \$85 per hour = \$11,645	\$325,000	\$336,645 per MLG outer cylinder.

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 adding the following new airworthiness directive:

The Boeing Company: Docket No. FAA–2025–1357; Project Identifier AD–2025–00618–T.

(a) Comments Due Date

The FAA must receive comments on this airworthiness directive (AD) by August 22, 2025.

(b) Affected ADs

None.

(c) Applicability

This AD applies to The Boeing Company Model 757–200, –200PF, and –200CB series airplanes, certificated in any category.

(d) Subject

Air Transport Association (ATA) of America Code 32, Landing Gear.

(e) Unsafe Condition

This AD was prompted by a report of improper grinding of the inner diameter of the main landing gear (MLG) outer cylinders, resulting in possible heat damage to the outer cylinders. The FAA is issuing this AD to address heat damage to the MLG outer cylinders. The unsafe condition, if not addressed, could cause failure of a principal structural element to sustain its limit load or collapse of the MLG, which could result in loss of control of the airplane or runway departure.

(f) Compliance

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

(g) Required Actions

Except as specified by paragraph (h) of this AD: At the applicable times specified in the “Compliance” paragraph of Boeing Alert Requirements Bulletin 757–32A0216 RB, dated January 26, 2024, do all applicable actions identified in, and in accordance with, the Accomplishment Instructions of Boeing Alert Requirements Bulletin 757–32A0216 RB, dated January 26, 2024.

Note 1 to paragraph (g): Guidance for accomplishing the actions required by this AD can be found in Boeing Alert Service Bulletin 757–32A0216, dated January 26, 2024, which is referred to in Boeing Alert Requirements Bulletin 757–32A0216 RB, dated January 26, 2024.

(h) Exceptions to Requirements Bulletin Specifications

Where the “Boeing Recommended Compliance Time” column in the table under the “Compliance” paragraph of Boeing Alert Requirements Bulletin 757–32A0216 RB, dated January 26, 2024, refers to the original issue date of Boeing Alert Requirements Bulletin 757–32A0216 RB, this AD requires using the effective date of this AD.

(i) Alternative Methods of Compliance (AMOCs)

(1) 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 certification office, send it to the attention of the person identified in paragraph (j)(1) of this AD. Information may be emailed to: 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) An AMOC that provides an acceptable level of safety may be used for any repair, modification, or alteration required by this AD if it is approved by The Boeing Company Organization Designation Authorization (ODA) that has been authorized by the Manager, AIR–520, Continued Operational Safety Branch, FAA, to make those findings. To be approved, the repair method, modification deviation, or alteration

deviation must meet the certification basis of the airplane, and the approval must specifically refer to this AD.

(j) Related Information

(1) For more information about this AD, contact Stefanie Roesli, Aviation Safety Engineer, FAA, 2200 South 216th St., Des Moines, WA 98198; phone: 206–231–3964; email: stefanie.n.roesli@faa.gov.

(2) Material identified in this AD that is not incorporated by reference is available at the address specified in paragraph (k)(3) this AD.

(k) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference 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 the AD specifies otherwise.

(i) Boeing Alert Requirements Bulletin 757–32A0216 RB, dated January 26, 2024.

(ii) [Reserved]

(3) For Boeing material identified in this AD, contact Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminister Blvd., MC 110–SK57, Seal Beach, CA 90740–5600; telephone 562–797–1717; website myboeingfleet.com.

(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 or email fr.inspection@nara.gov.

Issued on July 3, 2025.

Lona C. Saccomando,

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

[FR Doc. 2025–12671 Filed 7–7–25; 8:45 am]

BILLING CODE 4910–13–P

FEDERAL COMMUNICATIONS COMMISSION
47 CFR Part 73

[MB Docket No. 17–318; DA 25–530; FR ID 300811]

National Television Multiple Ownership Rule

AGENCY: Federal Communications Commission.

ACTION: Proposed rule; reopening of comment period.

SUMMARY: In this document, the Media Bureau of the Federal Communications Commission seeks to update the record in the National Television Multiple Ownership Rule proceeding, in which the Commission has sought comment

whether to modify, retain, or eliminate the 39% national audience reach cap and/or the UHF discount.

DATES: The comment period for the proposed rule published January 26, 2018 (83 FR 3661), is reopened. Comments are due: August 4, 2025. Reply comments are due: August 22, 2025.

ADDRESSES: All filings must be submitted in MB Docket No. 17–318. Pursuant to §§ 1.415 and 1.419 of the Commission’s rules, 47 CFR 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission’s Electronic Comment Filing System (ECFS).

- *Electronic Filers:* Comments may be filed electronically using the internet by accessing the ECFS: <https://www.fcc.gov/ecfs>.

- *Paper Filers:* Parties who choose to file by paper must file an original and one copy of each filing.

- Filings can be sent by hand or messenger delivery, by commercial courier, or by the U.S. Postal Service. All filings must be addressed to the Secretary, Federal Communications Commission.

- Hand-delivered or messenger-delivered paper filings for the Commission’s Secretary are accepted between 8:00 a.m. and 4:00 p.m. by the FCC’s mailing contractor at 9050 Junction Drive, Annapolis Junction, MD 20701. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.
- Commercial courier deliveries (any deliveries not by the U.S. Postal Service) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.

- Filings sent by U.S. Postal Service First-Class Mail, Priority Mail, and Priority Mail Express must be sent to 45 L Street NE, Washington, DC 20554.

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

FOR FURTHER INFORMATION CONTACT: Ty Bream, Ty.Bream@fcc.gov, of the Industry Analysis Division, Media Bureau, (202) 418–0644.

SUPPLEMENTARY INFORMATION: This is a summary of the Media Bureau’s Public Notice in MB Docket No. 17–318, DA 25–530, that was released June 18, 2025. The full text of this document is available for public inspection online at

<https://docs.fcc.gov/public/attachments/DA-25-530A1.pdf> and via the search function on the Commission's Electronic Document Management System (EDOCS) web page at <https://www.fcc.gov/edocs>. Documents will be available electronically in ASCII, Microsoft Word, and/or Adobe Acrobat. Alternative formats are available for people with disabilities (Braille, large print, electronic files, audio format, etc.) and reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) may be requested by sending an email to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202–418–0530 (voice).

Synopsis

With this Public Notice, the Media Bureau seeks to refresh the record in the National Television Multiple Ownership Rule proceeding. The prior comment and reply comment period in this proceeding closed over seven years ago. Given the passage of time, we now seek further comment to refresh the record in this proceeding.

Background. In December 2017, the Commission adopted a Notice of Proposed Rulemaking (*National Cap NPRM*) (83 FR 3661, Jan. 26, 2018) to seek comment on whether to retain, modify, or eliminate its rule limiting entities from owning or controlling broadcast television stations that, in the aggregate, reach more than 39% of the television audience households in the United States. The *National Cap NPRM* also sought comment on a component of the rule which provides a 50% discount to UHF stations for purposes of calculating compliance with the 39% audience reach cap, often referred to as the UHF discount.

Discussion. With this Public Notice, we open a new comment window and encourage the submission of new or additional information to refresh the record in the National Television Multiple Ownership Rule proceeding. The dockets in this and other proceedings show that the national audience reach cap still generates significant interest to commenters who continue to submit information about it, despite the fact that the record closed seven years ago. Accordingly, we present commenters with this further opportunity to refresh the record in the National Television Multiple Ownership proceeding.

First, we seek comment on materials filed since the comment period ended in April 2018. We invite commenters to review these materials and comment on whether they highlight any issues that

warrant further comment and consideration. Are there issues raised in the *National Cap NPRM* for which new and relevant information has come to light? How have the positions of commenters in this proceeding changed over time as a result of new information? To what extent is prior information in the record outdated or superseded by more recent developments? Where possible, commenters should explain how any new analysis, evidence, or proposals relate to the Commission's promotion of the public interest.

Second, we seek comment on new or additional information regarding the television and video programming marketplace that is relevant to this proceeding. Are there changes in the video programming marketplace that would affect the Commission's prior conclusions about the national audience reach cap? For example, in the *National Cap NPRM*, the Commission noted, among other developments, the growth of video programming options available to consumers (including online alternatives to traditional video distribution), reverse compensation fees paid by affiliates to broadcast networks, common ownership of broadcast and cable networks, consolidation among both MVPDs and non-network owned broadcast television station groups, and continuing MVPD video subscriber losses. Are there any developments relevant to the relationship between national broadcast networks and their local affiliate television station groups? Have recent industry developments altered the incentives or behavior of networks, local television affiliates, and other market participants in ways relevant to the national audience reach cap? In the *National Cap NPRM*, the Commission discussed economies of scale made possible by expansion of station ownership that may help broadcast television remain competitive in the marketplace and deter the migration of expensive over-the-air programming to other video programming distributors. The Commission also reasoned that, by placing limits on the expansion of network owned and operated station groups, a national cap would preserve a balance in the marketplace between the networks and their local affiliates. Specifically, the Commission noted its prior conclusions, dating back to 2003, that a national cap would promote localism by enabling local affiliates to influence programming decisions by the networks and to exercise their rights to preempt the airing of network programming in favor of programming

better suited to their local communities' needs. Do these prior conclusions remain accurate in 2025, and can they be expected to remain valid going forward? If so, and the Commission retains a national audience reach cap, should common ownership of stations that are not affiliated with major national broadcast networks (*i.e.*, ABC, CBS, NBC, or FOX) be excluded from the cap? If the Commission retains the cap in any form, should it include a UHF discount or any other form of discount?

We also seek comment on any other relevant trends observed within the television and video programming industry or in related markets that are now relevant to the Commission's review of the cap. For example, how has the national audience reach cap affected broadcast television's market position in relation to other video distributors, such as online video providers, that are not restricted by ownership limits? Do the current relationships and business dealings between broadcast television and other video distributors support modification or elimination of the national audience reach cap?

Finally, we seek comment on whether there are any other legal or economic developments that the Commission should consider in the context of the national television audience cap. For example, how, if at all, have legal developments affected the Commission's past conclusions about its authority to implement changes to the national audience reach cap and the UHF discount?

Initial Regulatory Flexibility Analysis. The *National Cap NPRM* included an Initial Regulatory Flexibility Analysis (IRFA) pursuant to 5 U.S.C. 603, exploring the potential impact on small entities of the Commission's proposals. We invite parties to file comments on the IRFA in light of this request to refresh the record.

Ex Parte Rules—Permit But Disclose. This proceeding shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission's *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and

arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule § 1.1206(b). In proceedings governed by rule § 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize

themselves with the Commission's *ex parte* rules.

Filing Comments and Replies. All filings must be submitted in MB Docket No. 17–318. Pursuant to §§ 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS).

- **Electronic Filers:** Comments may be filed electronically using the internet by accessing the ECFS: <https://www.fcc.gov/ecfs>.

- **Paper Filers:** Parties who choose to file by paper must file an original and one copy of each filing.

- Filings can be sent by hand or messenger delivery, by commercial courier, or by the U.S. Postal Service. All filings must be addressed to the Secretary, Federal Communications Commission.

- Hand-delivered or messenger-delivered paper filings for the Commission's Secretary are accepted between 8:00 a.m. and 4:00 p.m. by the FCC's mailing contractor at 9050

Junction Drive, Annapolis Junction, MD 20701. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.

- Commercial courier deliveries (any deliveries not by the U.S. Postal Service) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.

- Filings sent by U.S. Postal Service First-Class Mail, Priority Mail, and Priority Mail Express must be sent to 45 L Street NE, Washington, DC 20554.

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

(Authority: 47 U.S.C. 154, 303, 334, 336, 339.)

List of Subjects in 47 CFR Part 73

Television.

Federal Communications Commission.

Thomas Horan,

Chief of Staff, Media Bureau.

[FR Doc. 2025–12603 Filed 7–7–25; 8:45 am]

BILLING CODE 6712–01–P

Notices

Federal Register

Vol. 90, No. 128

Tuesday, July 8, 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.

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

[Docket No. APHIS–2025–0021]

Bayer CropScience: Availability of a Petition for a Determination of Nonregulated Status and Draft Plant Pest Risk Assessment for MON 95275 Maize (Corn)

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Notice of availability.

SUMMARY: We are advising the public that the Animal and Plant Health Inspection Service has received a petition from Bayer CropScience seeking a determination of nonregulated status for MON 95275 maize (corn) which has been developed using genetic engineering to produce two insecticidal proteins and a double-stranded RNA transcript to provide protection from feeding damage caused by targeted coleopteran (corn rootworm) insect pests. We are making the petition and draft plant pest risk assessment available for public review and comment.

DATES: We will consider all comments that we receive on or before September 8, 2025.

ADDRESSES: You may submit comments by either of the following methods:

- **Federal eRulemaking Portal:** Go to www.regulations.gov. Enter APHIS–2025–0021 in the Search field. Select the Documents tab, then select the Comment button in the list of documents.
- **Postal Mail/Commercial Delivery:** Send your comment to Docket No. APHIS–2025–0021, Regulatory Analysis and Development, PPD, APHIS, 5601 Sunnyside Avenue, Beltsville, MD 20705.

The petition, draft plant pest risk assessment, and any comments we

receive on this docket may be viewed at www.regulations.gov, or in our reading room, which is located in 1620 of the USDA South Building, 14th Street and Independence Avenue SW, Washington, DC. Normal reading room hours are 8 a.m. to 4:30 p.m., Monday through Friday, except holidays. To be sure someone is there to help you, please call (202) 799–7039 before coming.

The petition and draft plant pest risk assessment are also available on the APHIS website at: <https://www.aphis.usda.gov/biotechnology/legacy-petition-process/petitions>. Search for APHIS petition 25–083–01p.

FOR FURTHER INFORMATION CONTACT: Mr. Alan Pearson, Biotechnology Regulatory Services, APHIS, USDA, 5601 Sunnyside Avenue, AP100–3–1151, Beltsville, MD 20705; (301) 851–3944; email: alan.pearson@usda.gov.

SUPPLEMENTARY INFORMATION: Under the authority of the plant pest provisions of the Plant Protection Act (7 U.S.C. 7701 *et seq.*), the regulations in 7 CFR part 340, “Introduction of Organisms and Products Altered or Produced Through Genetic Engineering Which Are Plant Pests or Which There Is Reason to Believe Are Plant Pests,” regulate, among other things, the introduction (importation, interstate movement, or release into the environment) of organisms and products altered or produced through genetic engineering that are plant pests or that there is reason to believe are plant pests. Such organisms and products are considered “regulated articles.”

The regulations in § 340.6(a) provide that any person may submit a petition to the Animal and Plant Health Inspection Service (APHIS) seeking a determination that an article should not be regulated under 7 CFR part 340. Paragraphs (b) and (c) of § 340.6 describe the form that a petition for a determination of nonregulated status must take and the information that must be included in the petition.

APHIS has received a petition (APHIS Petition Number 25–083–01p) from Bayer CropScience seeking a determination of nonregulated status for MON 95275 maize (corn) which has been developed using genetic engineering for resistance to feeding damage caused by targeted coleopteran (corn rootworm) insect pests. The petition states that the information provided indicates that MON 95275

corn is unlikely to pose a plant pest risk and therefore should not be regulated under APHIS’ regulations in 7 CFR part 340.

As part of our decision-making process regarding the organism’s regulatory status, APHIS prepared a draft plant pest risk assessment (PPRA) to assess the plant pest risk of the organism. APHIS’ draft PPRA compared the pest risk posed by the MON 95275 corn with that of the unmodified variety from which it was derived. The draft PPRA concluded that MON 95275 corn is unlikely to pose an increased plant pest risk compared to the unmodified corn.

Paragraph (d) of § 340.6 provides that APHIS will publish a notice in the **Federal Register** providing 60 days for public comment on petitions for a determination of nonregulated status. In accordance with § 340.6(d), we are publishing this notice to inform the public that APHIS will accept written comments regarding the petition and draft PPRA from interested or affected persons for a period of 60 days from the date of this notice. The petition and draft PPRA are available for public review and comment, and copies are available as indicated under **ADDRESSES** and from the individual listed under the **FOR FURTHER INFORMATION CONTACT** section of this notice. We are particularly interested in receiving comments regarding biological or ecological issues, and we encourage the submission of scientific data, studies, or research to support your comments.

After the comment period closes, APHIS will review and evaluate any information received during the comment period and any other relevant information. Based upon available information, APHIS will respond to the petitioner either approving or denying the petition. APHIS will post its regulatory determination on its website and publish a notice of availability in the **Federal Register**.

Authority: 7 U.S.C. 7701–7772 and 7781–7786; 31 U.S.C. 9701; 7 CFR 2.22, 2.80, and 371.3.

Done in Washington, DC, this 2nd day of July 2025.

Michael Watson,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 2025–12607 Filed 7–7–25; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF AGRICULTURE**National Institute of Food and Agriculture****Notice of Intent To Extend and Revise a Previously Approved Information Collection**

AGENCY: National Institute of Food and Agriculture, USDA.

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 and Office of Management and Budget (OMB) regulations, this notice announces the National Institute of Food and Agriculture's (NIFA) intention to extend and revise a previously approved information collection, entitled *NIFA Application Kit*.

DATES: Written comments on this notice must be received by September 5, 2025 to be assured of consideration. Comments received after that date will be considered to the extent practicable.

ADDRESSES: You may submit comments through the Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

Instructions: All comments received will be posted without change to <http://www.regulations.gov>, including any personal information provided.

FOR FURTHER INFORMATION CONTACT: Laura Givens, 816-527-5379, Laura.Givens@usda.gov.

SUPPLEMENTARY INFORMATION:

Title of Collection: NIFA Application Kit.

OMB Control Number: 0524-0039.

Expiration Date of Current Approval: 8/31/2025.

Type of Request: Notice of intent to extend and revise a previously approved information collection for three years.

Abstract: NIFA sponsors ongoing agricultural research, extension and education programs under which competitive, formula (capacity), and special awards of a high-priority nature are made. Because competitive applications are submitted, many of which necessitate review by peer panelists, it is important that applicants provide the information in a standardized process to ensure consistency for all applicants. Standardization is also important to applicants in other programs as it creates a more efficient process and minimizes administrative burden. For this reason, NIFA uses standard forms in the SF-424 Research and Related (R&R) form category which includes agency-specific forms for the application process. NIFA issues

Requests for Application (RFAs) that include the instructions for preparation and submission of applications. NIFA requires submission of applications electronically through *Grants.gov*.

The forms and narrative information are mainly used for application evaluation and administration purposes. While some of the information is used to respond to inquiries from Congress and other government agencies, the forms are not designed to be statistical surveys.

NIFA is proposing to revise the collection by adding the "NIFA Disclosure of Foreign Relationships" form. This form will allow NIFA to perform legislatively mandated Due Diligence of Foreign Influence review of USDA's SBIR and STTR applicants. NIFA also proposes to add new general support templates that address confidentiality, conflict of interest, and summaries germane to the application submission. NIFA is also requesting approval to use additional OMB Research and Related (R&R) Common forms as part of this collection.

NIFA is seeking to make minor revisions to previously approved forms for purposes of making the forms easier to understand and use.

Finally, NIFA proposes to retire the "NIFA Entry/Exit Fellowship Form," which is used to document demographic data, program progress, and performance outcomes of fellow/scholar recipients.

Respondents: Universities, non-profit institutions, State, local, or Tribal government, and a limited number of for-profit institutions and individuals.

Estimated Number of Respondents by form:

Letter of Intent: 3,000.

Form NIFA-2008 Assurance

Statement(s): 3,000.

Supplemental Information: 6,000.

AFRI Project Type: 2,500.

Foreign Disclosure Form: 3,000.

The individual form burden is as follows (calculated based on a survey of grant applicants conducted by NIFA):

Letter of Intent: 2 hours.

Form NIFA-2008 Assurance

Statement(s): 30 minutes.

Supplemental Information: 2 hours.

AFRI Project Type: 15 minutes.

Foreign Disclosure Form: 15 minutes.

Estimated Total Annual Burden on the public for all forms: 18,354 hours.

Frequency of Respondents: Annually.

Comments: Comments are invited on: (a) 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; (b) the accuracy of the Agency's

estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to 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.

All responses to this notice will be summarized and included in the request to OMB for approval. All comments will become a matter of public record.

Obtaining a Copy of the Information Collection: A copy of the information collection and related instructions may be obtained free of charge by contacting Laura Givens as directed above.

Drenda Williams,

Associate Director for Operations, National Institute of Food and Agriculture, U.S. Department of Agriculture.

[FR Doc. 2025-12606 Filed 7-7-25; 8:45 am]

BILLING CODE 3410-22-P

DEPARTMENT OF AGRICULTURE**National Institute of Food and Agriculture****Notice of Intent To Extend and Revise Previously Approved Information Collection**

AGENCY: National Institute of Food and Agriculture, USDA.

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 and Office of Management and Budget (OMB) regulations this notice announces the National Institute of Food and Agriculture's (NIFA) intention to extend and revise a previously approved information collection, entitled *NIFA Proposal Review Process*.

DATES: Written comments on this notice must be received by September 8, 2025 to be assured of consideration. Comments received after that date will be considered to the extent practicable.

ADDRESSES: You may submit comments through the Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

Instructions: All comments received will be posted without change to <http://www.regulations.gov>, including any personal information provided.

FOR FURTHER INFORMATION CONTACT:

Laura Givens, 816-527-5379, Laura.Givens@usda.gov.

SUPPLEMENTARY INFORMATION:

Title of Collection: NIFA Proposal Review Process.

OMB Control Number: 0524–0041.

Expiration Date of Current Approval: 9/30/2025.

Type of Request: Notice of intent to extend and revise a previously approved information collection. The burden for this collection remains unchanged.

NIFA is requesting a three-year extension for the current collection entitled “NIFA Proposal Review Process.”

NIFA is also proposing to update the collection so that the previously approved Reviewer Questionnaire, as well as the Conflict of Interest and Confidentiality Certification Form are both available on NIFA’s Peer Review System (PRS) web-based portal. Additionally, NIFA is proposing some minor updates to the wording of questions in the Reviewer Questionnaire to ensure that peer review panels have the required scientific and technical expertise while remaining in compliance with statistical directives from OMB.

Abstract: The National Institute of Food and Agriculture (NIFA) is responsible for performing a review of proposals submitted to NIFA competitive award programs in accordance with section 103(a) of the Agricultural Research, Extension, and Education Reform Act of 1998, 7 U.S.C. 7613(a). Reviews are undertaken to ensure that projects supported by NIFA are of high quality and are consistent with the goals and requirements of the funding program.

Proposals submitted to NIFA undergo a programmatic evaluation to determine justification of Federal support. The evaluations consist of a peer panel review and may also entail an assessment by Federal employees and electronically submitted (ad-hoc) reviews in the Peer Review System.

The information collected from the evaluations is used to support NIFA grant programs. NIFA uses the results of the proposal evaluation to determine whether a proposal should be declined or recommended for award. When NIFA has rendered a decision, copies of reviews (excluding the names of the reviewers) and summaries of review panel deliberations, if any, are provided to the submitting Project Director.

Given the highly technical nature of many of these proposals, the quality of the peer review greatly depends on the appropriate matching of the subject matter of the proposal with the scientific and technical expertise of the potential reviewer. To obtain this information, an electronic questionnaire is used to collect information about

potential panel and ad-hoc reviewers. If the reviewer is already in the NIFA database, the questionnaire asks potential reviewers to update their basic biographical information including address, contact information, professional expertise, and their availability to review for NIFA in the future. If the reviewer is new, they are prompted to complete the questionnaire. This information has been invaluable in the NIFA review process, which has been recognized by the grantee and grantor community for its quality.

The applications and associated materials made available to reviewers, as well as the discussions that take place during panel review meetings, are strictly confidential and are not to be disclosed to or discussed with anyone who has not been officially designated to participate in the review process. While each panelist certifies at the time of preparing a review they do not have a conflict-of-interest with a particular application and will maintain its confidentiality in the Peer Review System, a certification of their intent at the time of the panel review proceedings is collected to emphasize and reinforce confidentiality not only of applications and reviews but also panel discussions. On the Conflict-of-Interest and Confidentiality Certification form, the panelist affirms they understand the conflict-of-interest guidelines and will not be involved in the review of the application(s) where a conflict exists. The panelist also affirms their intent to maintain the confidentiality of the panel process and not disclose to another individual any information related to the peer review or use any information for personal benefit.

Estimate of Burden:

Estimated number of respondents by form/process:

Reviewer Questionnaire: 1,000.

Conflict-of-Interest and

Confidentiality Certification: 1,000.

Proposal Review Process: 4,600.

The individual form/process burden hours are as follows:

Reviewer Questionnaire: 167 hours.

Conflict-of-Interest and

Confidentiality Certification: 167 hours.

Proposal Review Process: 92,000 hours.

Estimated Total Annual Burden on the public for all forms and processes: 92,334 hours.

Comments: Comments are invited on: (a) 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; (b) the accuracy of the Agency’s

estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility and clarity of the information to be collected; and (d) ways to 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.

All responses to this notice will be summarized and included in the request to OMB for approval. All comments will become a matter of public record.

Obtaining a Copy of the Information Collection: A copy of the information collection and related instructions may be obtained free of charge by contacting Laura Givens as directed above.

Drenda Williams,

Associate Director for Operations, National Institute of Food and Agriculture, U.S. Department of Agriculture.

[FR Doc. 2025–12689 Filed 7–7–25; 8:45 am]

BILLING CODE 3410–22–P

DEPARTMENT OF AGRICULTURE

Rural Housing Service

[Docket No. RHS–25–CF–0006]

Notice of Funding Opportunity for the Rural Community Development Initiative (RCDI) for Fiscal Year 2025

AGENCY: Rural Housing Service, USDA.

ACTION: Notice.

SUMMARY: The Rural Housing Service (RHS or the Agency), a Rural Development (RD) agency of the United States Department of Agriculture (USDA), announces the acceptance of applications under the Rural Community Development Initiative (RCDI) program for fiscal year (FY) 2025. Approximately \$5 million in funding is available for FY 2025. These grants will be made to qualified intermediary organizations that will provide financial and Technical assistance to Recipients to develop their capacity and ability to undertake projects related to housing, community facilities, or community and economic development that will support the community. Applicants are responsible for any expenses incurred in developing their applications.

DATES: Completed applications must be submitted using one of the following methods:

- *Paper submissions:* Paper applications must be received by 4:00 p.m. local time by the Rural Development State Office where the

applicant's headquarters is located. August 12, 2025. Applicants intending to mail applications must provide sufficient time to permit delivery on or before the closing deadline date and time. Acceptance by the United States Postal Service or private mailer does not constitute delivery. Facsimile (FAX), electronic mail, and postage due applications will not be accepted. The application dates and times are firm. The Agency will not consider any application received after the deadline. Applicants may also request paper application packages from their respective Rural Development State Office (RDSO). A list of the USDA RDSO contacts can be found at: rd.usda.gov/about-rd/state-offices.

- **Electronic submissions:** Electronic applications must be submitted via Grants.gov by 11:59 p.m. Eastern Time on August 7, 2025.

Prior to official submission of applications, applicants may request Technical assistance or other application guidance from the Agency, if such requests are made prior to the application deadline. Technical assistance is not meant to be an analysis or assessment of the quality of the materials submitted, a substitute for agency review of completed applications, nor a determination of eligibility, if such determination requires in-depth analysis. The Agency reserves the right to contact applicants to seek clarification on materials contained in the submitted application.

ADDRESSES: This funding announcement will be announced on Grants.gov. Paper applications must be submitted to the USDA Rural Development State Office (RDO) where the applicant's headquarters is located. For projects involving multiple states, the application must be filed in the RDO where the applicant's headquarters is located. Applicants may request paper application packages from their respective RDSO. A list of the USDA RDSO contacts can be found at: rd.usda.gov/about-rd/state-offices.

Application information for electronic submissions may be found at Grants.gov. Applicants may also download the application documents and requirements described in this notice from Grants.gov.

FOR FURTHER INFORMATION CONTACT: Janelle Gustafson, Rural Development, United States Department of Agriculture, 1400 Independence Ave. SW, Washington, DC 20250, Phone: (406) 585-2508, Email: janelle.gustafson@usda.gov. For further information on submitting program applications under this notice, please

contact USDA RDSO in the state where the applicant's headquarters is located. A list of RDSO contacts is provided at the following link: rd.usda.gov/about-rd/state-offices.

SUPPLEMENTARY INFORMATION:

Overview

Federal Awarding Agency Name: Rural Housing Service (RHS).

Funding Opportunity Title: Rural Community Development Initiative (RCDI).

Announcement Type: Notice of Funding Opportunity (NOFO).

Funding Opportunity Number: USDA-RD-HCFP-RCDI-2025.

Assistance Listing: 10.446.

Dates: Applications must be submitted using one of the following methods:

- **Paper submissions:** The deadline for receipt of a paper application is 4 p.m. local time, to the Rural Development State Office where the applicant's headquarters is located. August 12, 2025. Applicants intending to mail applications must provide sufficient time to permit delivery on or before the closing deadline date and time. Acceptance by the United States Postal Service or private mailer does not constitute delivery. Facsimile (FAX), electronic mail, and postage due applications will not be accepted. The application dates and times are firm. The Agency will not consider any application received after the deadline.

- **Electronic submission:** Electronic applications will be accepted via Grants.gov. The deadline for receipt of electronic applications via Grants.gov is 11:59 p.m. Eastern Time on August 7, 2025.

- The Agency recommends not filing electronic submissions too close to the submission deadline in the event there is a problem with the system.

- The application dates and times are firm. The Agency will not consider any application received after the deadline.

- Prior to official submission of applications, applicants may request Technical assistance or other application guidance from the Agency, if such requests are made prior to August 7, 2025. Technical assistance is not meant to be an analysis or assessment of the quality of the materials submitted, a substitute for agency review of completed applications, nor a determination of eligibility, if such determination requires in-depth analysis. The Agency reserves the right to contact applicants to seek clarification on materials contained in the submitted application.

A. Program Description

1. **Purpose of the Program.** The program is designed to assist qualified private organizations, nonprofit organizations, and public (including Tribal) Intermediary organizations, proposing to carry out financial and Technical assistance programs to improve housing, community facilities, and community and economic development projects in rural areas. The RCDI program requires the Intermediary (Grantee) to provide a program of financial and Technical assistance to Recipients. The Recipients will, in turn, provide programs to their communities (beneficiaries).

2. **Statutory and Regulatory Authority.** Congress created the RCDI program in 1999 (Pub. L. 106-78), and funding is being made available pursuant to the Consolidated Appropriations Act, 2024 (Pub. L. 118-42), and the Full-Year Continuing Appropriations and Extensions Act, 2025 (Pub. L. 119-4). This program is implemented under the guidelines announced in this Notice and 2 CFR part 200.

3. Definitions.

Agency. The Rural Housing Service.

Beneficiary. Entities or individuals that receive benefits from assistance provided by the Recipient.

Capacity. The ability of a Recipient to implement housing, community facilities, or community and economic development projects.

Conflict of interest. A situation in which a person or entity has competing personal, professional, or financial interests that make it difficult for the person or business to act impartially. Regarding use of both grant and Matching funds, Federal procurement standards prohibit transactions that involve a real or apparent Conflict of interest for owners, employees, officers, agents, or their immediate family members having a financial or other interest in the outcome of the project; or that restrict open and free competition for unrestrained trade. Specifically, project Funds may not be used for services or goods going to, or coming from, a person or entity with a real or apparent Conflict of interest, including, but not limited to, owner(s) and their immediate family members. An example of a Conflict of interest occurs when an employee of the grantee, a member of the grantee's board of directors, or the immediate family of either, has the appearance of a professional or personal financial interest in a Recipient receiving the benefits or services of the grant.

Federally recognized Tribes. Tribal entities recognized and eligible for

funding and services from the Bureau of Indian Affairs, based on the most recent notice in the **Federal Register** published by the Bureau of Indian Affairs (pursuant to Pub. L. 103-454) and Tribes that received Federal recognition after the most recent publication. Tribally designated housing entities (TDHE) are eligible RCDI Recipients.

Financial assistance. For this Notice, Financial assistance is grant Funds used by the Intermediary to benefit the Recipient. The grant Funds, not to exceed \$10,000 per award, may be used by the Intermediary to purchase computers, software, printers and other equipment to build the Recipient's Capacity. Grant Funds are not directly available to the Recipient.

Funds. The RCDI grant and Matching funds that have been provided by the Grantee:

Intermediary. A qualified private organization, nonprofit organization (including faith-based and community organizations and philanthropic organizations), or public (including Tribal) organization that provides financial and Technical assistance to multiple Recipients.

Low-income rural community. An authority, district, economic development authority, regional council, Federally recognized Tribe, or unit of government representing an incorporated city, town, village, county, township, parish, Indian reservation or borough whose income is at or below 80 percent of either the state or national Median Household Income as measured by the 2020 Census.

Matching Funds. Cash or confirmed funding commitments. Matching funds must be at least equal to the grant amount and committed for a period of not less than the grant performance period.

Recipient. The entity that receives financial and Technical assistance from the Intermediary. The Recipient must be a nonprofit community-based housing and development organization, a Low-income rural community or a Federally recognized Tribe.

Rural and rural area. Any area other than (i) a city or town that has a population of greater than 50,000 inhabitants and (ii) an urbanized area (note that the Agency has determined that the reference to "urbanized area" should be read as a reference to "urban area" because the Census Bureau no longer identifies urbanized areas individually and instead refers to qualifying areas as "urban areas") that is contiguous and adjacent to such city or town.

Technical assistance. Skilled help in improving the Recipient's abilities in

the areas of housing, community facilities, or community and economic development.

4. Application of Awards. Awards under the RCDI Program are limited and are awarded through a competitive process. No reimbursement will be made for any Funds expended prior to execution of the RCDI Grant Agreement unless the Intermediary has requested and received written Agency approval of the costs prior to the actual expenditure.

This exception is applicable for up to 90 days prior to grant closing and only applies to grantees that have received written approval but have not executed the RCDI Grant Agreement.

The Agency cannot retroactively approve reimbursement for expenditure prior to execution of the RCDI Grant Agreement.

B. Federal Award Information

Type of Award: Grant.

Fiscal Year Funds: FY 2025.

Available Funds: Approximately \$5 million. RHS may, at its discretion, increase the total level of funding available in this funding round (or in any category in this funding round) from any available source provided the awards meet the requirements of the statute which made the funding available to the Agency.

Award Amounts: Grant Funds are limited and are awarded through a competitive process.

Minimum/Maximum Award Amount: The minimum grant award per Intermediary is \$50,000 and the maximum award amount is \$500,000. The Intermediary must provide a program of financial and Technical assistance to Recipients to develop their Capacity and ability to undertake projects related to housing, community facilities, or community and economic development that will support the community.

Anticipated Award Date: September 30, 2025.

Performance Period: Grant Funds must be utilized within three years from the date of the award. A grantee that has an outstanding RCDI grant over three years old, as of the application due date in this Notice, is not eligible to apply for this round of funding.

The Intermediary must provide a program of financial and Technical assistance to one or more of the following: a private, nonprofit community-based housing and development organization, a Low-income rural community or a Federally recognized Tribe. A non-Tribal Intermediary proposing to serve one or more Federally recognized Tribe(s) must

include a resolution of support with its application from the respective Tribe(s) it proposes to serve. If the resolution of support is not submitted for each respective Tribe, the Tribe will be considered ineligible as a Recipient. This requirement is being added to ensure collaboration during the application process between intermediaries and all Tribes that they propose to serve.

Renewal or Supplemental Awards: Applicants must re-apply for an additional grant.

Type of Assistance Instrument: Grant agreement.

C. Eligibility Information

1. Eligible Applicants. Applicants must meet all of the following eligibility requirements by the application deadline. Applications that fail to meet any of these requirements by the application deadline will be deemed ineligible, will not be evaluated further, and will not receive a Federal award under this funding opportunity:

(a) The applicant and its principals must not be debarred, suspended, or otherwise excluded from participation in USDA programs, in accordance with 2 CFR parts 180 and 417. The applicant must not be delinquent on any federal debt, nor have any outstanding judgment obtained by the U.S. in a Federal court. Upon receipt of application, prior to award, and prior to disbursement of federal funds, the agency will screen the applicant and its principals through the Do Not Pay System, as required by 31 U.S.C. 3354, to verify eligibility with respect to debarment, suspension, and any unresolved federal debts. Applicants are responsible for resolving any issues identified in the Do Not Pay System; if such issues are not resolved by the deadlines specified in this notice, the agency may proceed to award funds to other eligible applicants. Applicants are responsible for compliance with all applicable regulations, including 2 CFR parts 180 and 417.

(b) Qualified private organizations, nonprofit organizations (including faith-based organizations in accordance with 7 CFR part 16, community organizations and philanthropic foundations), and public (including Tribal) Intermediary organizations are eligible applicants. Definitions that describe eligible organizations and other key terms are listed above.

(c) The Recipient must be a nonprofit community-based housing and development organization, Low-income rural community, or Federally recognized Tribe based on the RCDI definitions of these groups.

(d) Private nonprofit, faith, or community-based organizations must provide a certificate of incorporation and a certificate of good standing from the Secretary of State of the State of incorporation, or other similar and valid documentation of current nonprofit status. For Low-income rural community Recipients, the Agency requires evidence that the entity is a public body and census data verifying that the median household income of the community where the office receiving the financial and Technical assistance is located at, or below, 80 percent of the state or national median household income, whichever is higher. For Federally recognized Tribes the Agency needs the page listing their name from the current **Federal Register** list of Tribal entities recognized and eligible for funding services (see the definition of Federally recognized Tribes in this Notice for details on this list).

(e) Any corporation that has been convicted of a felony criminal violation under any Federal law within the past 24 months; or has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless the Agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government, is not eligible for Financial assistance in accordance with restrictions in Sections 744 and 745 outlined in Division B, Title VII, "General Provisions—Government-Wide" of the Further Consolidated Appropriations Act, 2024 (Pub. L. 118–47), as extended and made applicable by the Full-Year Continuing Appropriations and Extensions Act, 2025 (Pub. L. 119–4).

2. *Cost Sharing or Matching.* Matching funds are required to be provided in an amount that, at a minimum, is equal to the amount of the grant. If this Matching fund requirement is not met, the application will be deemed ineligible (see, the "Application and Submission Information" section for the required pre-award and post award Matching funds documentation submission). Partnerships with other Federal, State, local, private, and nonprofit entities are encouraged.

(a) Matching funds must be in the form of cash or confirmed funding commitments that, at a minimum, are

equal to the grant amount. Matching funds must also be committed for a period of not less than the grant performance period. These Funds can only be used for eligible RCDI activities and must be used to support the overall purpose of the RCDI program.

(b) In-kind contributions such as salaries, donated time and effort, real and nonexpendable personal property, and goods and services cannot be used as Matching funds.

(c) Grant Funds and Matching funds must be used in equal proportions. This does not mean Funds have to be used equally by line item.

(d) Grant Funds will be disbursed pursuant to relevant provisions of 2 CFR parts 200 and 400 (see, the "Application and Submission Information" section) for Matching funds documentation and pre-award requirements.

(e) The Intermediary is responsible for demonstrating that Matching funds are available and committed for a period of not less than the grant performance period to the RCDI proposal. Matching funds may be provided by the Intermediary or a third party. Other Federal Funds may be used as Matching funds if authorized by statute and the purpose of the Funds is an eligible RCDI purpose.

(f) RCDI Funds will be disbursed on an advance or reimbursement basis. Matching funds cannot be expended prior to the execution of the RCDI Grant Agreement. The request for advance or reimbursement and supporting documentation must show that RCDI fund usage does not exceed the cumulative amount of Matching funds used.

(g) Applicants must provide Matching funds in an amount at least equal to the amount of the Federal grant. Successful applications will be selected by the Agency for funding and will be awarded from Funds appropriated for the RCDI program.

3. *Other Eligibility Requirements.* The Recipient and Beneficiary, but not the Intermediary, must be in an eligible rural area. The physical location of the Recipient's office that will be receiving the financial and Technical assistance must be in an eligible rural area. If the Recipient is a low-income community, the median household income of the area where the office is located must be at or below 80 percent of the state or national median household income, whichever is higher. The applicable Rural Development State Office can assist in determining the eligibility of an area. A listing of Rural Development State Office contacts can be found at the following link: rd.usda.gov/about-rd/state-offices. A map showing eligible

rural areas can be found at the following link: eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=RBSmenu.

(a) RCDI grantees that have an outstanding grant over 3 years old, as of the application due date in this Notice, are not eligible to apply for this round of funding. Grant and Matching funds must be utilized in a timely manner to ensure that the goals and objectives of the program are met.

(b) Individuals cannot be Recipients.

(c) The Intermediary must provide a program of financial and Technical assistance to the Recipient.

(d) The Intermediary organization must be legally organized for a minimum of three years and have at least three years prior experience working with private nonprofit community-based housing and development organizations, low-income rural communities, or Tribal organizations in the areas of housing, community facilities, or community and economic development. The Intermediary organization may contract with a nonaffiliated organization for not more than 49 percent of the awarded grant to provide the proposed Technical assistance.

(e) Proposals must be structured to utilize the grant Funds within 3 years from the date of the award.

(f) Each applicant, whether individually or jointly, may only submit one application for RCDI Funds under this Notice. This restriction does not preclude the applicant from providing Matching funds for other applications.

(g) Recipients can benefit from more than one RCDI application; however, after grant selections are made, the Recipient can only benefit from multiple RCDI grants if the type of financial and Technical assistance the Recipient will receive is not duplicative. The services described in multiple RCDI grant applications must have separate and identifiable accounts for compliance purposes.

(h) The Intermediary and the Recipient cannot be the same entity. The Recipient can be a related entity to the Intermediary, if it meets the definition of a Recipient, provided the relationship does not create a Conflict of interest that cannot be resolved to Rural Development's satisfaction.

(i) If the Recipient is a Low-income rural community, identify the unit of government to which the financial and Technical assistance will be provided (e.g., town council or village board). Financial and Technical assistance must be provided to the organized unit of government representing that community, not the community at large.

(j) A non-Tribal Intermediary proposing to serve one or more Federally recognized Tribes must include a resolution of support with its application from the Tribes it proposes to serve. If the resolution of support is not submitted for each Tribe, the Tribe will be considered ineligible as a Recipient. This requirement is being added to ensure collaboration during the application process between intermediaries and all Tribes that they propose to serve.

D. Application and Submission Information

1. *Address to Request Application Package.* Entities wishing to apply for assistance may download the application documents and requirements in this Notice from the RCDI website: rd.usda.gov/programs-services/community-facilities/rural-community-development-initiative-grants. Application information for electronic submissions may be found at [Grants.gov](https://rd.usda.gov/grants.gov).

Applicants may also request paper application packages from the Rural Development office in their state. A list of Rural Development State Office contacts can be found via rd.usda.gov/about-rd/state-offices.

2. *Content and Form of Application Submission.* If the applicant is ineligible or the application is incomplete, the Agency will inform the applicant in writing of the decision, reasons therefore, and its appeal rights and no further evaluation of the application will occur. Applications will be evaluated and scored based on the information provided. If the application does not contain sufficient information to verify eligibility, then it will be deemed incomplete. If the application does not adequately address the scoring criteria, then the application will score lower.

An application for RCDI Funds must include the following:

- (a) A summary page, double-spaced between items, listing the following: (This information should not be presented in narrative form.)
 - Applicant's name,
 - Applicant's address,
 - Applicant's telephone number,
 - Name of applicant's contact person, email address and telephone number,
 - County where applicant is located,
 - Congressional district number where applicant is located,
 - Amount of grant request, and
 - Number of Recipients.
- (b) A detailed Table of Contents containing page numbers for each component of the application.
- (c) A project overview, no longer than one page, to include the following:

- The type of Technical assistance to be provided to the Recipients and how it will be implemented,
- How the Capacity and ability of the Recipients will be improved,
- The overall goals to be accomplished,
- The benchmarks to be used to measure the success of the program that are specific and quantifiable.

(d) Organizational documents, such as a certificate of incorporation and a current (within 12 months) good standing certification from the Secretary of State where the applicant is incorporated and other similar and valid documentation of current status, from the Intermediary that confirms it has been legally organized for a minimum of three years as the applicant entity.

(e) Verification of source and amount of Matching funds, (e.g., a copy of a complete bank statement if Matching funds are in cash or a copy of the confirmed funding commitment from the funding source). The verification must show that Matching funds are available for the duration of the grant performance period. The verification of Matching funds must be submitted with the application, or the application will be considered incomplete. The applicant will be contacted by the Agency prior to grant award to verify that the Matching funds provided with the application continue to be available. The applicant will have 15 days from the date contacted to submit verification that Matching funds continue to be available.

If the applicant is unable to provide the verification within that timeframe, the application will be considered ineligible. The applicant must maintain bank statements on file or other documentation for a period of at least three years after grant closing and the records shall be retained beyond the three-year period if audit findings have not been resolved.

(f) The following information for each Recipient:

- Recipient's entity name,
- Complete address (mailing and physical location, if different),
- County where located,
- Number for Congressional district where Recipient is located,
- Contact person's name, email address and telephone number, and
- Form RD 400-4, "Assurance Agreement." If the Form RD 400-4 is not submitted for each Recipient, the Recipient will be considered ineligible. No information pertaining to that Recipient will be included in the income or population scoring criteria and the requested funding may be

adjusted due to the deletion of the Recipient.

(g) Submit evidence that each Recipient entity is eligible. Documentation must be submitted to verify Recipient eligibility. Links to websites are not acceptable. Acceptable documentation varies depending on the type of Recipient:

(1) *Nonprofits*—provide a current (within 12 months) valid letter confirming nonprofit status from the Secretary of State of the State of incorporation, a current good standing certification from the Secretary of State of the State of incorporation, or other valid documentation of current nonprofit status of each Recipient.

A nonprofit Recipient must provide evidence that it is a valid nonprofit when the Intermediary applies for the RCDI grant. Organizations with pending requests for nonprofit designations are not eligible.

(2) *Low-income rural community*—provide evidence the entity is a public body (e.g., copy of Charter, relevant Acts of Assembly, relevant court orders (if created judicially) or other valid documentation), a copy of the 2020 census data to verify the population, and 2021 American Community Survey (ACS) 5-year estimates (2017–2021 data set) data as evidence that the median household income is at, or below, 80 percent of either the state or national median household income. Data and printouts must be obtained from data.census.gov.

(3) *Federally recognized Tribes*—The 2025 list published on December 11, 2024, in the **Federal Register** (89 FR 99899) is available by using the following link: [federalregister.gov/documents/2024/12/11/2024-29005/indian-entities-recognized-by-and-eligible-to-receive-services-from-the-united-states-bureau-of](https://www.federalregister.gov/documents/2024/12/11/2024-29005/indian-entities-recognized-by-and-eligible-to-receive-services-from-the-united-states-bureau-of). For Tribes that received Federal recognition status publication, outside the publication cited above, statutory citations and additional documentation are acceptable.

A non-Tribal Intermediary proposing to serve one or more Federally recognized Tribes must include a resolution of support with its application from the Tribes it proposes to serve. If the resolution of support is not submitted for each Tribe, the Tribe will be considered ineligible as a Recipient. This requirement is being added to ensure collaboration during the application process between intermediaries and all Tribes that they propose to serve.

(h) Each of the scoring criteria in the "Application Review Information" section must be addressed specifically

and individually by category in narrative form. Narrative (not including attachments) is limited to five pages per criterion. The "Population and Income" criteria for Recipient locations can be provided in the form of a list; however, the source of the data must be included on the page(s).

(i) A timeline identifying specific activities and proposed dates for completion.

(j) A detailed project budget that includes the RCDI grant amount and Matching funds. This should be a line-item budget with clearly defined categories such as salaries, administrative, other, and indirect costs pertaining to the proposed project. Supporting documentation listing the components of these categories must be included. The budget should be dated: year 1, year 2, and year 3, corresponding to the duration of the project.

(k) The indirect cost category in the project budget should be used only when a grant applicant has a Federally negotiated indirect cost rate, and it must be provided with the application. Non-federal entities without a negotiated indirect cost rate may use the de minimis rate of up to 15 percent of modified total direct costs (MTDC) as described in 2 CFR part 200.414 (f).

(l) Form SF-424, "Application for Federal Assistance"

(Do not complete Form SF-424A, "Budget Information." A separate line-item budget should be presented as described in letter (j) of this section.

(m) Certification Regarding Lobbying, RD Instruction 1940-Q Exhibit A-1, "Certification for Contracts, Grants and Loans" or equivalent (for grants exceeding \$100,000).

(n) Standard Form LLL, "Disclosure of Lobbying Activities," if applicable.

Applicants must collect and maintain data provided by recipients on race, sex, and national origin and ensure Ultimate Recipients collect and maintain this data. Race and ethnicity data will be collected in accordance with OMB

Federal Register notice, "Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity" (62 FR 58782), October 30, 1997. Sex data will be collected in accordance with Title IX of the Education Amendments of 1972. These items should not be submitted with the application but should be available upon request by the Agency.

All awards of Federal financial assistance made under this NOFO are subject to applicable civil rights laws, which may include Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title VIII of

the Civil Rights Act of 1968, Title IX of the Education Amendments Act of 1973, and the Equal Credit Opportunity Act of 1974.

(o) Identify and report any association or relationship with Rural Development employees. (A statement acknowledging whether or not a relationship exists is required).

3. *System for Award Management and Unique Entity Identifier.* At the time of application, each applicant must have an active registration in the System for Award Management (SAM) before submitting its application in accordance with 2 CFR part 25 ([ecfr.gov/current/title-2/subtitle-A/chapter-I/part-25](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-I/part-25)). To register in SAM, entities will be required to obtain a Unique Entity Identifier (UEI). Instructions for obtaining the UEI are available at sam.gov/content/entity-registration.

(a) Applicants must maintain an active SAM registration, with current, accurate and complete information, at all times during which there is an active Federal award or an application under consideration by a Federal awarding Agency.

(b) Applicants must ensure they complete the Financial Assistance General Certifications and Representations in SAM.

(c) Applicants must provide a valid UEI in its application, unless determined exempt under 2 CFR 25.110 ([ecfr.gov/current/title-2/subtitle-A/chapter-I/part-25/subpart-A/section-25.110](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-I/part-25/subpart-A/section-25.110)).

(d) Each applicant must be registered in SAM and in have a UEI number.

(e) The Agency will not make an award until the applicant has complied with all SAM requirements. If an applicant has not fully complied with the requirements by the time the Agency is ready to make an award, the Agency may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

4. *Submission Dates and Times.*

Complete applications must be submitted using one of the following methods:

- *Paper submissions:* Paper application must be received by 4:00 p.m. local time by the Rural Development State Office where the applicant's headquarters is located. August 12, 2025.

Explanation of Dates: The application dates and times are firm. Applications must be in the USDA RDSO by the dates and times identified in this announcement. If the due date falls on a Saturday, Sunday, or Federal holiday, the application is due the next business

day. The Agency will not consider any application received after the deadline.

Allow Sufficient Time For Mailing of Application: Applicants intending to mail applications must provide sufficient time to permit delivery on or before the closing deadline date and time. Acceptance by the United States Postal Service or private mailer does not constitute delivery. Facsimile (FAX), electronic mail, and postage due applications will not be accepted.

To submit a paper application, the original application package must be submitted to the Rural Development State Office where the applicant's headquarters is located. The address for the headquarters of each USDA Rural Development State Office can be accessed at rd.usda.gov/about-rd/offices/state-offices.

Electronic submissions: Applicants may file an electronic application at Grants.gov. Application information for electronic submissions may be found at Grants.gov. Electronic applications must be submitted via Grants.gov by 11:59 p.m. Eastern Time on August 7, 2025. The application dates and times are firm. The Agency will not consider any application received after the deadline. Follow the instructions at Grants.gov for registering and submitting an electronic application. If a system problem or technical difficulty occurs with an electronic application, please use the customer support resources available at Grants.gov.

Technical difficulties applying through Grants.gov are not a reason to extend the application deadline. If an application is unable to be submitted through Grants.gov, a paper application must be received in the appropriate Rural Development Office by the deadline previously noted.

The application dates and times are firm. If the due date falls on a Saturday, Sunday, or Federal holiday, the application is due the next business day. The Agency will not consider any application received after the deadline.

5. *Intergovernmental Review.*

Executive Order (E.O.) 12372, "Intergovernmental Review of Federal Programs," applies to this program. This E.O. requires that Federal agencies provide opportunities for consultation on proposed assistance with State and local governments. Many states have established a Single Point of Contact (SPOC) to facilitate this consultation. For a list of states that maintain a SPOC, please see the USDA website: <https://www.usda.gov/about-usda/general-information/staff-offices/office-chief-financial-officer/federal-financial-assistance-policy/intergovernmental-review>. If your state has a SPOC, you

may submit a copy of the application directly for review. Any comments obtained through the SPOC must be provided to your RD State Office for consideration as part of your application. If your state has not established a SPOC, you may submit your application directly to the Agency. Applications from Federally recognized Indian Tribes are not subject to this requirement.

6. *Funding Restrictions.* The following are examples of eligible and ineligible purposes under the RCDI program. Activities that meet the objectives of the RCDI program and meet the criteria outlined in this Notice will be considered eligible. These examples are illustrative and are not meant to limit the activities proposed in the application:

(a) The Intermediary provides training to the Recipient on how to conduct homeownership education classes. The Recipient then provides ongoing homeownership education to the residents of the community, the ultimate beneficiaries. This “train the trainer” concept fully meets the intent of this initiative. The Intermediary is providing Technical assistance that will build the Recipient’s Capacity by enabling it to conduct homeownership education classes for the public.

This is an eligible purpose. However, if the Intermediary directly provided homeownership education classes to individuals in the Recipient’s service area, this would not be an eligible purpose because the Recipient would be bypassed.

(b) If the Intermediary is working with a low-income community as the Recipient, the Intermediary must provide Technical assistance to the entity that represents the low-income community and is identified in the application. Examples of entities representing a low-income community are a village board or a town council.

If the Intermediary provides Technical assistance to the Board of the low-income community on how to establish a cooperative, this would be an eligible purpose. However, if the Intermediary works directly with individuals from the community to establish the cooperative, this is not an eligible purpose.

The Recipient’s Capacity is built by learning skills that will enable it to support sustainable economic development in its community on an ongoing basis.

(c) The Intermediary may provide Technical assistance to the Recipient on how to create and operate a revolving loan fund. The Intermediary may not monitor or operate the revolving loan

fund. RCDI Funds, including Matching funds, cannot be used to fund a revolving loan fund.

(d) The Intermediary may work with Recipients to build their Capacity to provide planning and leadership development training. The Recipients of this training would be expected to assume leadership roles in the development and execution of regional strategic plans. The Intermediary would work with multiple Recipients in helping communities recognize their connections to the greater regional and national economies.

(e) The Intermediary could provide training and Technical assistance to the Recipients on developing emergency shelter and feeding, short-term housing, search and rescue, and environmental accident, prevention, and cleanup program plans. For longer term disaster and economic crisis responses, the Intermediary could work with the Recipients to develop job placement and training programs and develop coordinated transit systems for displaced workers.

7. *Other Submission Requirements.* Fund use must be consistent with the RCDI purpose.

(a) *Eligible purposes* of grant Funds include, but are not limited to, the following:

(1) Provide Technical assistance to develop Recipients’ Capacity and ability to undertake projects related to housing, community facilities, or community and economic development (e.g., the Intermediary hires a staff person to provide Technical assistance to the Recipient or the Recipient hires a staff person, under the supervision of the Intermediary, to carry out the Technical assistance provided by the Intermediary). Hiring must support the Intermediary’s training purpose. Additional staff can be hired as a secondary purpose needed to carry out Technical assistance/training to the Recipient and must support the Intermediary’s training purpose.

(2) Develop the Capacity of Recipients to conduct community development programs, (e.g., homeownership education or training for business entrepreneurs).

(3) Develop the Capacity of Recipients to conduct developmental initiatives (e.g., programs that support micro-enterprise and sustainable development).

(4) Develop the Capacity of Recipients to increase their leveraging ability and access to alternative funding sources by providing training and staffing.

(5) Develop the Capacity of Recipients to provide the Technical assistance

component for essential community facilities projects.

(6) Assist Recipients in completing pre-development requirements for housing, community facilities, or community and economic development projects by providing resources for professional services, e.g., architectural, engineering, or legal. While this is an eligible purpose, applicants need to ensure the Capacity of the Recipient is being expanded with appropriate training during the process.

(7) Improve Recipient’s organizational Capacity by providing training and resource material on developing strategic plans, board operations, management, financial systems, and information technology.

(8) Purchase of computers, software, printers and other equipment is limited to \$10,000 per award at the Recipient level when directly related to the Technical assistance program being undertaken by the Intermediary.

(9) Provide Funds to Recipients for training-related travel costs and training expenses related to RCDI.

(10) RCDI Funds may be used to pay for a speaker as part of a program, equipment to facilitate the program, and the actual room that will house the meeting.

(b) The following is a list of *ineligible uses* of grant Funds:

(1) Pass-through grants, and any Funds provided to the Recipient in a lump sum that are not reimbursements.

(2) Funding a revolving loan fund.

(3) Construction (in any form).

(4) Salaries for positions involved in construction, renovations, rehabilitation, and any oversight of these types of activities.

(5) Intermediary preparation of strategic plans for Recipients.

(6) Funding prostitution, gambling, or any illegal activities.

(7) Grants to individuals.

(8) Funding a grant where there may be a Conflict of interest, or an appearance of a Conflict of interest, involving any action by the Agency.

(9) Paying obligations incurred before the grant period without prior Agency approval or after the ending date of the grant agreement.

(10) Purchasing real estate.

(11) Improvement or renovation of the Intermediary or Recipient’s office space or for the repair or maintenance of vehicles.

(12) Any purpose prohibited in 2 CFR part 200 or 400.

(13) Using grant or Matching funds for Individual Development Accounts.

(14) In accordance with 31 U.S.C. 1345, “Expenses of Meetings,” appropriations may not be used for

travel, transportation, and subsistence expenses for a meeting. RCDI grant Funds cannot be used for these meeting-related expenses. Matching funds may, however, be used to pay for these expenses.

(15) RCDI Funds cannot be used for meetings; they can, however, be used for travel, transportation, or subsistence expenses for program-related training and Technical assistance purposes. Any training not delineated in the application must be approved by the Agency to verify compliance with 31 U.S.C. 1345. Travel and per diem expenses (including meals and incidental expenses) will be allowed in accordance with 2 CFR parts 200 and 400.

E. Application Review Information

1. *Criteria.* All eligible and complete applications will be evaluated and scored based on the selection criteria and weights contained in this notice. Awards are subject to USDA grant regulations at 2 CFR part 400, which incorporated the Office of Management and Budget (OMB) regulations at 2 CFR part 200. Failure to address any of the application criteria by the application deadline will result in the application being determined ineligible, and the application will not be considered for funding.

All applications that are complete and eligible will be scored and ranked competitively. The categories for scoring criteria used are the following:

(a) Building Capacity and Expertise— Maximum 40 Points

The applicant must demonstrate how it will improve the Recipients' Capacity, through a program of financial and Technical assistance, as it relates to the RCDI purposes. Capacity building financial and Technical assistance should provide new functions to the Recipient(s) or expand existing functions that will enable the Recipient(s) to undertake projects in the areas of housing, community facilities, or community and economic development that will benefit the community. Capacity-building financial and Technical assistance may include, but is not limited to: training to conduct community development programs (*e.g.*, homeownership education, or the establishment of business entrepreneurs, cooperatives, or micro-enterprises); organizational development (*e.g.*, assistance to develop or improve board operations, management, and financial systems); instruction on how to develop and implement a strategic plan; instruction on how to access alternative funding sources to increase leveraging

opportunities; and staffing (*e.g.*, hiring a person at the Intermediary or Recipient level to provide Technical assistance to Recipients).

The program of financial and Technical assistance that is to be provided, its delivery, and the measurability of the program's effectiveness will determine the merit of the application.

All applications will be competitively ranked and the applications providing the most improvement in Capacity development and measurable activities being ranked the highest.

The narrative response must contain the following items. This list also contains the points for each item.

(1) Describe the nature of financial and Technical assistance to be provided to the Recipient(s) and the activities that will be conducted to deliver Technical assistance (10 Points).

(2) Explain how financial and Technical assistance will develop or increase the Recipient's Capacity. Indicate whether a new function is being developed or if existing functions are being expanded or performed more effectively (7 Points).

(3) Identify which RCDI purpose areas will be addressed with this assistance: Housing, community facilities, or community and economic development (3 Points).

(4) Describe how the results of the Technical assistance will be measured and describe the benchmarks to be used to measure effectiveness. Benchmarks should be specific and quantifiable (5 Points).

(5) Demonstrate that the Intermediary has conducted programs of financial and Technical assistance and achieved measurable results in the areas of housing, community facilities, or community and economic development in rural areas (10 Points).

(6) Provide in a chart or excel spreadsheet, the organization name, point of contact, address, phone number, email address, and the type and amount of the financial and Technical assistance the Intermediary has provided to the following for the last 3 years (5 Points).

- Nonprofit organizations in rural areas.
- Low-income communities in rural areas (also identify the type of entity, *e.g.*, city government, town council, or village board).
- Federally recognized Tribes

(b) Soundness of Approach— Maximum 15 Points

The applicant can receive up to 15 points for soundness of approach. The overall proposal will be considered under this criterion.

The maximum of 15 points for this criterion will be based on the following:

(1) The proposal fits the objectives for which applications were invited, is clearly stated, and the applicant has defined how this proposal will be implemented (7 Points).

(2) The ability to provide the proposed financial and Technical assistance based on prior accomplishments (6 Points).

(3) Cost effectiveness will be evaluated based on the budget in the application. The proposed grant amount and Matching funds should be utilized to maximize Capacity building at the Recipient level (2 Points).

(c) Population and Income— Maximum 15 Points

Population is based on the average population from the 2020 census data for the communities in which the Recipient is located. The physical address, not mailing address, for each Recipient must be used for this criterion. Community is defined for scoring purposes as a city, town, village, county, parish, borough, Indian reservation or census-designated place where the Recipient's office is physically located.

The applicant must submit the census data from the following website in the form of a printout to verify the population figures used for each Recipient. The data can be accessed at data.census.gov. Enter location, P1 (*i.e.*, Parma, Idaho, P1) and click "search." The Recipient location and population data for each Recipient must be listed in this section.

The average population of the Recipient locations will be used and will be scored as follows in the table illustrated below:

Population	Scoring (points)
10,000 or less	5
10,001 to 20,000	4
20,001 to 30,000	3
30,001 to 40,000	2
40,001 to 50,000	1

The average of the median household income for the communities where the Recipients are physically located will determine the points awarded. The physical address, not mailing address, for each Recipient must be used for this criterion. Applicants may compare the average Recipient median household income to the State median household income or the national median household income, whichever yields the most points. The national median household income to be used is \$69,021.

The applicant must submit the income data in the form of a printout of

the applicable information from the following website to verify the income for each Recipient. The data being used is from the 2021 American Community Survey (ACS) 5-year estimates (2017–2021 data set). The data can be accessed

at data.census.gov; click on tables, enter location, B19013 (*i.e.*, Parma, Idaho, B19013), click on “Search,” click the “+” symbol to expand the table, and select the 2021 ACS–5-year Estimates Detailed Tables. The Recipient location

and income data for each Recipient must be listed in this section. Points will be awarded as follows in the table illustrated below:

Average recipient median income	Scoring (points)
Less than or equal to 70 percent of state or national median household income	10
Greater than 70, but less than or equal to 80 percent of state or national median household income	5
In excess of 80 percent of state or national median household income	0

(d) State Director’s Points Based on Project Merit—Maximum 10 Points

(1) This criterion will be addressed by the Agency, not the applicant.

(2) The State Director may award up to 10 discretionary points for the highest priority project in each state, up to 7 points for the second highest priority project in each state and up to 5 points for the third highest priority project.

(3) Additional information:

- These points may be awarded by the Rural Development State Director to any application(s) that benefit their State regardless of whether the applicant is headquartered in their State.

- When an Intermediary submits an application that will benefit a State that is not the same as the State in which the Intermediary is headquartered, it is the Intermediary’s responsibility to notify the State Director of the State which is receiving the benefit of its application. In such cases, State Directors awarding points to applications benefiting their state must notify the reviewing State in writing.

- Assignment of any points under this criterion requires written justification and must be tied to and awarded based on how closely the application aligns with the Rural Development State Office’s strategic goals.

(e) Administrator Discretionary Points—Maximum 20 Points

The Administrator may award up to 20 discretionary points for projects to address geographic distribution of Funds, emergency conditions caused by economic problems, natural disasters and other initiatives identified by the Secretary.

2. *Review and Selection Process.* If requests exceed Funds available, the applications will be rated and ranked on a national basis by a review panel based on the “Application Review Information” contained in this Notice.

(a) If there is a tied score after the applications have been rated and ranked, the tie will be resolved by reviewing the scores for “Building

Capacity and Expertise” and the applicant with the highest score in that category will receive a higher ranking. If the scores for “Building Capacity and Expertise” are the same, the scores will be compared for the next criterion, in sequential order, until the highest score can be determined.

(b) Initial screening: The Agency will screen each application to determine eligibility during the period immediately following the application deadline. Listed below are examples of reasons for rejection from previous funding rounds. The following reasons for rejection are not all inclusive; however, they represent most of the previously rejected applications:

- Recipients were not located in eligible rural areas based on the definition in the Notice.
- Applicants failed to provide evidence of Recipient’s status, *i.e.*, documentation supporting nonprofit evidence of organization.
- Applicants failed to provide evidence of committed Matching funds or Matching funds were not committed for a period at least equal to the grant performance period.
- Application did not follow the RCDI structure with an Intermediary and Recipient.
- Recipients were not identified in the application.
- Intermediary did not provide evidence it had been incorporated for at least three years as the applicant entity.
- Applicants failed to address the “Application Review Information” in this Notice.
- The purpose of the proposal did not qualify as an eligible RCDI purpose.
- Inappropriate use of Funds (*e.g.*, construction or renovations).
- The applicant proposed providing financial and Technical assistance directly to individuals.
- The application package was not received by the closing date and time.

3. *Anticipated Announcement and Federal Award Dates.* September 30, 2025.

F. *Federal Award Administration Information*

1. *Federal Award Notices.* Within the limit of Funds available for such purpose, the awarding official of the Agency shall make grants in ranked order to eligible applicants under the procedures set forth in this Notice.

Successful applicants will receive a selection letter by email containing instructions on the requirements necessary to proceed with execution and performance of the award. In addition, selected applicants will be requested to verify that components of the application have not changed at the time of selection and on the award obligation date, if requested by the Agency. This letter is not an authorization to begin performance.

The award is not approved until all information has been verified, and the awarding official of the Agency has signed Form RD 1940–1, “Request for Obligation of Funds” and the grant agreement.

Unsuccessful applicants will receive notification, including notification of appeal rights, by email.

2. *Administrative and National Policy Requirements.*

Grantees will be required to do the following:

(i) Execute a Rural Community Development Initiative Grant Agreement.

(ii) Execute Form RD 1940–1, “Request for Obligation of Funds.”

(iii) Use Form SF 270, “Request for Advance or Reimbursement,” to request reimbursements. Provide receipts for expenditures, timesheets and any other documentation to support the request for reimbursement.

(iv) Provide financial status and project performance reports on a quarterly basis starting with the first full quarter after the grant award.

(v) Maintain a financial management system that is acceptable to the Agency.

(vi) Ensure that records are maintained to document all activities and expenditures utilizing RCDI grant Funds and Matching funds. Receipts for

expenditures will be included in this documentation.

(vii) Provide annual audited financial statements in accordance with 2 CFR part 200, subpart F, or management reports on Form RD 442-2, "Statement of Budget, Income and Equity," and Form RD 442-3, "Balance Sheet," depending on the amount of Federal Funds expended and the outstanding balance.

(viii) Collect and maintain data provided by recipients on race, sex, and national origin and ensure recipients collect and maintain the same data on beneficiaries. Race and ethnicity data will be collected in accordance with OMB **Federal Register** notice, "Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity," (62 FR 58782), October 30, 1997. Sex data will be collected in accordance with Title IX of the Education Amendments of 1972. These items should not be submitted with the application but should be available upon request by the Agency.

(ix) Provide a final project performance report.

(x) Identify and report any association or relationship with Rural Development employees.

(xi) All awards of Federal financial assistance made under this NOFO are subject to applicable civil rights laws, which may include Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title VIII of the Civil Rights Act of 1968, Title IX of the Education Amendments Act of 1973, and the Equal Credit Opportunity Act of 1974.

(xii) The grantee must comply with policies, guidance, and requirements as described in the following applicable Code of Federal Regulations, and any successor regulations:

(A) 2 CFR parts 200 and 400 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards).

(B) 2 CFR parts 417 and 180 (Government-wide Debarment and Suspension (Nonprocurement)).

3. *Reporting.* After grant approval and through grant completion, you will be required to provide the following, as indicated in the Grant Agreement:

(a) SF-425, "Federal Financial Report" and SF-PPR, "Performance Progress Report" will be required on a quarterly basis (due 30 working days after each calendar quarter). The Performance Progress Report shall include the elements described in the grant agreement.

(b) Final financial and performance reports will be due 120 calendar days after the period of performance end date.

(c) A summary at the end of the final report with elements as described in the grant agreement to assist in documenting the annual performance goals of the RCDI program for Congress.

G. Federal Awarding Agency Contacts

Contact the Rural Development State Office where the applicant's headquarters is located. A list of Rural Development State Offices contacts can be found at: rd.usda.gov/about-rd/state-offices.

H. Other Information

1. *Paperwork Reduction Act.* The paperwork burden has been approved by the Office of Management and Budget (OMB) under OMB Control Number 0575-0180.

2. *National Environmental Policy Act.* All Recipients under this notice are subject to the requirements of 7 CFR part 1b.

3. *Equal Opportunity for Religious Organizations.*

(a) Faith-based organizations may apply for this award on the same basis as any other organization, as set forth at, and subject to the protections and requirements of, this part and any applicable constitutional and statutory requirements, including 42 U.S.C. 2000bb *et seq.* USDA will not, in the selection of recipients, discriminate for or against an organization on the basis of the organization's religious character, motives, or affiliation, or lack thereof, or on the basis of conduct that would not be considered grounds to favor or disfavor a similarly situated secular organization.

(b) A faith-based organization that participates in this program will retain its independence from the Government and may continue to carry out its mission consistent with religious freedom and conscience protections in Federal law. Religious accommodations may also be sought under many of these religious freedom and conscience protection laws.

(c) A faith-based organization may not use direct Federal financial assistance from USDA to support or engage in any explicitly religious activities except when consistent with the Establishment Clause of the First Amendment and any other applicable requirements. An organization receiving Federal financial assistance also may not, in providing services funded by USDA, or in their outreach activities related to such services, discriminate against a program

beneficiary or prospective program beneficiary on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.

4. *Nondiscrimination Statement.* In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the State or local Agency that administers the program or contact USDA through the Telecommunications Relay Service at 711 (voice and TTY). Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at usda.gov/about-usda/general-information/staff-offices/office-assistant-secretary-civil-rights/how-file-program-discrimination-complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) *Mail:* U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW, Mail Stop 9410, Washington, DC 20250-9410; or

(2) *Fax:* (202) 690-7442; or

(3) *Email:* program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

Christine Mechtly,

Acting Administrator, Rural Housing Service.

[FR Doc. 2025-12632 Filed 7-7-25; 8:45 am]

BILLING CODE 3410-XV-P

DEPARTMENT OF COMMERCE**Foreign-Trade Zones Board****[B-35-2025]****Foreign-Trade Zone (FTZ) 38,
Notification of Proposed Production
Activity; GE Gas Turbines (Greenville)
LLC; (Gas Turbines); Greenville, South
Carolina**

GE Gas Turbines (Greenville) LLC submitted a notification of proposed production activity to the FTZ Board (the Board) for its facility in Greenville, South Carolina within FTZ 38. The notification conforming to the requirements of the Board's regulations (15 CFR 400.22) was received on June 30, 2025.

Pursuant to 15 CFR 400.14(b), FTZ production activity would be limited to the specific foreign-status material(s)/component(s) and specific finished product(s) described in the submitted notification (summarized below) and subsequently authorized by the Board. The benefits that may stem from conducting production activity under FTZ procedures are explained in the background section of the Board's website—accessible via www.trade.gov/ftz. The proposed finished product(s) and material(s)/component(s) would be added to the production authority that the Board previously approved for the operation, as reflected on the Board's website.

The proposed finished products include: gas turbines; fuel nozzles; power nozzles; turbine blades (nickel alloy; ceramic composite); rotor assemblies (titanium alloy; nickel-based alloy; steel); shrouds (stainless steel; ceramic composite); casings (alloy steel; stainless steel; iron); combustion chamber liners of steel; hydraulic engines; centrifuges; and, switchgear assemblies (duty rate ranges from duty-free to 2.7%).

The proposed foreign-status materials/components include: plastic tubing; adhesive decals of polyester; washers (plastic; copper; nickel); plastic o-rings; gaskets (plastic; carbon fiber; graphite; stainless steel); rubber protective dust covers; pipe fittings (rubber; cast of stainless steel; stainless steel; alloy steel; butt welded steel; aluminum); flange connectors made of rubber; insulating material made of mineral wool fiber; braided seals made of mineral filled aramid-reinforced composite; glass fiber reinforced fasteners (fiber; woven); steel alloy powders; fittings (iron; steel; nickel; butt welded of stainless steel); piping components (iron; steel); bars (carbon steel; stainless steel); rods (carbon steel;

stainless steel); steel angles; plates (nickel alloy; copper); shims (nickel alloy; copper); hot-rolled structural sections; tubes (non-alloy iron; non-alloy steel; stainless steel; nickel); pipes (stainless steel; stainless steel welded); stainless steel hollow bars; stainless steel hollow pipes; stainless steel pipes for high temperature use; stainless steel tubes for high temperature use; circular welded stainless steel pipe for gas turbine heat exchangers and refining applications; circular welded carbon steel pipe for gas turbine condensers and superheaters; circular seamless iron pipe for gas turbine condensers and superheaters; circular welded stainless steel pipe for gas turbine gas processing; threaded gray cast iron conduit sealer female fittings for use in gas turbine conduit systems; flanges (stainless steel; steel; iron); stainless steel threaded couplings; stainless steel threaded elbows and bends; iron pipe 45 degree fittings; threaded pipe schedule 080S of iron; clamps (iron; steel); structural steel gratings for repair and maintenance access; steel cables; self-tapping screws made of stainless steel; threaded fasteners (nonstainless alloy; base metal; carbon steel; stainless steel); nuts (iron; steel; nickel); threaded hardware (iron; steel); locking washers (iron; steel); plain washers (iron; steel); rivets (iron; steel; nickel); pins (iron; steel; nickel; aluminum); support clips (iron; steel); springs (iron; nickel); cast iron mounting brackets; stamped fasteners (iron; steel); forged fasteners (iron; steel); wire holding devices (iron; steel); general-purpose mounting shims made of carbon steel; stranded wire (copper; nickel); copper stators; rings (copper; nickel); nickel alloy sheets; nickel alloy foil; nickel alloy strip; screws (nickel; aluminum); nickel bolts; conduits (iron; steel; nickel); nickel couplings; nickel enclosures; nickel seals; nickel connectors; nickel gears; nickel lockwire; nickel lugs; nickel joints; nickel rotors; nickel spacers; nickel studs; nickel clips; nickel thermocouples; nickel inserts; nickel vanes; aluminum tube fittings; aluminum bearing assemblies; aluminum caps; aluminum fasteners; mounting harnesses; bellows (iron; steel); compensators (iron; steel); expansions (iron; steel); hoses (iron; steel); elbow tubing of noncast stainless steel; self-winding sleeves made of base metal; wear plates of stainless steel with alloy facing; turbine diaphragms made of stainless steel; base plates used for mounting components; anchor bolts for mounting components of stainless steel; alignment shims; vibration dampers of rubber; compressor gas turbine casings;

combustor housings; turbine shells of machined steel; exhaust frames of machined metal; rod bearings; friction reducing thrust bearings; fuel nozzles of machined metal nozzle assemblies; flow meters used to measure the flow of liquid; pressure transducers of stainless steel; electrical gas analyzers; control valves; fluid control devices; fuel injection systems; combustion chamber liners of chromium-molybdenum stainless steel; insulation casings; igniters used in gas turbines; power nozzles; rotating wheels of forged nickel alloy; rotating shafts (carbon steel; stainless steel); stators/stator vanes of steel; temperature sensors; shrouds (stainless steel; ceramic composite); casings (alloy steel; stainless steel; iron); chamber pressure sensors; exhaust gas pressure sensors; fuel flow regulators; hydraulic motors; pump diaphragms; hydraulic pumps; submersible pumps; compressor housings; heat exchangers; oil filters; fuel filters; oil separators; fuel separators; engine fluid filters; catalytic converters; air filters; air dryers; pressure valves; flow valves; check valves; stainless steel taps; solenoid valves; compressor vanes of stainless steel; ball bearings; thrust bearings; spherical bearings; bearing shims; transmission shafts; housed bearings; shaft bearings; housings for bearings; parts of bearing assemblies; transmission spacers; transmission rings; transmission mounting parts; machine shims of carbon steel; machine shafts of stainless steel; machine seals of stainless steel; mechanical seals of graphite and steel; electric motors; stator vane rings of stainless steel; electronic actuators; spark plugs; heating elements; electric terminals; electric switches; lamp sockets; junction boxes; terminal blocks; connection terminals; cable connectors; cable fittings; cable clamps; cable holders; electrical clips; electrical grounding apparatus; electronic boards; parts of electrical switching devices; electronic measuring devices and parts; electronic instrument parts; electronic conductors; electronic cables of stainless steel; electrical insulators; electrical isolators; insulating fittings; resistance temperature detectors; barometric sensors; temperature sensor protective enclosures; pressure sensors; pressure meters; chemical sensors; vibration sensors; and, measuring devices (duty rate ranges from duty-free to 9.9%). The request indicates that certain materials/components are subject to duties under section 1702(a)(1)(B) of the International Emergency Economic Powers Act (section 1702) or section 301 of the

Trade Act of 1974 (section 301), depending on the country of origin. The applicable section 1702 and section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign (PF) status (19 CFR 146.41). The request also indicates that stud threaded ends are subject to antidumping and countervailing duty (AD/CVD) orders if imported from China. The Board's regulations (15 CFR 400.13(c)(2)) require that merchandise subject to AD/CVD orders, or items which would be otherwise subject to suspension of liquidation under AD/CVD procedures if they entered U.S. customs territory, be admitted to the zone in PF status.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing period for their receipt is August 18, 2025.

A copy of the notification will be available for public inspection in the "Online FTZ Information System" section of the Board's website.

For further information, contact Luke Engan at Luke.Engan@trade.gov.

Dated: July 3, 2025.

Elizabeth Whiteman,
Executive Secretary.

[FR Doc. 2025-12694 Filed 7-7-25; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-36-2025]

Foreign-Trade Zone (FTZ) 12, Notification of Proposed Production Activity; Avant Technology, Inc.; (Solid-State Drives and Memory Modules); Pharr, Texas

Avant Technology, Inc., submitted a notification of proposed production activity to the FTZ Board (the Board) for its facility in Pharr, Texas within FTZ 12. The notification conforming to the requirements of the Board's regulations (15 CFR 400.22) was received on July 2, 2025.

Pursuant to 15 CFR 400.14(b), FTZ production activity would be limited to the specific foreign-status material(s)/ component(s) and specific finished product(s) described in the submitted notification (summarized below) and subsequently authorized by the Board. The benefits that may stem from conducting production activity under FTZ procedures are explained in the background section of the Board's website—accessible via www.trade.gov/ftz.

The proposed finished products include memory modules and solid-state drives (SSD)/universal serial bus (USB) drives (duty-free).

The proposed foreign-status materials/components include: controller electronic integrated circuits; inductors for power management devices; multilayer ceramic dielectric capacitors; carbon resistors; fuses; unmounted semiconductor chips; mounted piezoelectric crystals; printed circuit boards; memory integrated circuits; and, solder paste (duty rate ranges from duty-free to 5.8%). The request indicates that certain materials/components are subject to duties under section 1702(a)(1)(B) of the International Emergency Economic Powers Act (section 1702), section 232 of the Trade Expansion Act of 1962 (section 232) and section 301 of the Trade Act of 1974 (section 301), depending on the country of origin. The applicable section 1702, section 232 and section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing period for their receipt is August 18, 2025.

A copy of the notification will be available for public inspection in the "Online FTZ Information System" section of the Board's website.

For further information, contact Christopher Wedderburn at Chris.Wedderburn@trade.gov.

Dated: July 3, 2025.

Elizabeth Whiteman,
Executive Secretary.

[FR Doc. 2025-12695 Filed 7-7-25; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-201-845]

Sugar From Mexico: Final Results of the Expedited Second Sunset Review of the Agreement Suspending the Antidumping Duty Investigation

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

SUMMARY: As a result of this sunset review, the U.S. Department of Commerce (Commerce) finds that termination of the Agreement Suspending the Antidumping Duty Investigation on Sugar from Mexico, as amended (Agreement), and the

suspended antidumping duty (AD) investigation would be likely to lead to continuation or recurrence of dumping at the levels indicated in the "Final Results of Review" section of this notice.

DATES: Applicable July 8, 2025.

FOR FURTHER INFORMATION CONTACT: Sally C. Gannon or Samantha Fino, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-0162 or (202) 482-2861, respectively.

SUPPLEMENTARY INFORMATION:

Background

On March 3, 2025, Commerce initiated the second sunset review of the Agreement¹ and the suspended AD investigation on sugar from Mexico, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).² On March 17, 2025, Commerce received a notice of intent to participate in this sunset review from the American Sugar Coalition and its members (the petitioners),³ within the applicable deadline specified in 19 CFR 351.218(d)(1)(i).⁴ Commerce received a complete substantive response from the petitioners within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).⁵ Commerce did not receive an adequate substantive response from any respondent interested party, nor was a hearing requested. As a result, Commerce conducted an expedited (120-day) sunset review, in accordance with 19 CFR 351.218(e)(1)(ii)(C)(2).

Scope of the Agreement⁶

The merchandise subject to the Agreement is raw and refined sugar of all polarimeter readings derived from sugar cane or sugar beets. For a complete description of the

¹ See *Sugar from Mexico: Suspension of Antidumping Duty Investigation*, 79 FR 78039 (December 29, 2019); and *Sugar from Mexico: Amendment to the Agreement Suspending the Antidumping Duty Investigation*, 85 FR 3620 (January 22, 2020) (collectively, Agreement).

² See *Initiation of Five-Year (Sunset) Reviews*, 90 FR 11039 (March 3, 2025).

³ The members of the American Sugar Coalition are as follows: American Sugar Cane League, American Sugarbeet Growers Association, American Sugar Refining, Inc., Florida Sugar Cane League, Sugar Cane Growers Cooperative of Florida, and the United States Beet Sugar Association.

⁴ See Petitioners' Letter, "Sugar from Mexico: Notice of Intent to Participate", dated March 17, 2025.

⁵ See Petitioners' Letter, "Sugar from Mexico: Substantive Response to Notice of Initiation of Five-Year (Sunset) Reviews of the Antidumping and Countervailing Duty Suspension Agreements," dated April 2, 2025.

⁶ See Agreement at Section I.

merchandise subject to the Agreement, *see* the Issues and Decision Memorandum.⁷

Analysis of Comments Received

All issues raised in this sunset review, including the likelihood of continuation or recurrence of dumping and the magnitude of the margin of dumping likely to prevail if the Agreement and suspended AD investigation were terminated, are addressed in the Issues and Decision Memorandum. 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>. A list of topics discussed in the Issues and Decision Memorandum is included as an appendix to this notice. A complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(c)(1) and (3) of the Act, we determine that termination of the Agreement and suspended AD investigation on sugar from Mexico is likely to lead to the continuation or recurrence of dumping, and that the magnitude of the dumping margins likely to prevail would be weighted-average dumping margins up to 42.14.⁸

Administrative Protective Order (APO)

This notice also serves as the only 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. Timely 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 terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

Commerce is issuing and publishing these final results and notice in accordance with sections 751(c), 752(c), and 777(i)(1) of the Act, and 19 CFR

351.218(e)(1)(ii)(C)(2) and 19 CFR 351.221(c)(5)(ii).

Dated: July 1, 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

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Agreement
- IV. History of the Proceeding
- V. Legal Framework
- VI. Discussion of the Issues
 1. Likelihood of Continuation or Recurrence of Dumping
 2. Magnitude of the Margin Likely to Prevail
- VII. Final Results of the Expedited Review
- VIII. Recommendation

[FR Doc. 2025–12634 Filed 7–7–25; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

Environmental Technologies Trade Advisory Committee

AGENCY: International Trade Administration, U.S. Department of Commerce.

ACTION: Notice of an open meeting of a Federal Advisory Committee.

SUMMARY: The Environmental Technologies Trade Advisory Committee (ETTAC) will hold a virtual meeting on Friday, July 25, 2025. The meeting is open to the public with registration instructions provided below. This notice sets forth the schedule and proposed topics for the meeting.

DATES: The meeting is scheduled for Friday, July 25, 2025 from 12:00 p.m. to 1:00 p.m. Eastern Time (ET). The deadline for members of the public to register to participate, including requests to make comments during the meeting and for auxiliary aids, or to submit written comments for dissemination prior to the meeting, is 5:00 p.m. EDT on Friday, July 18, 2025. Members of the public must register by that date to participate.

ADDRESSES: The meeting will be held virtually. Members of the public who wish to participate should register through the registration portal: <https://www.trade.gov/ettac>. Requests for auxiliary aids or to make comments during the meeting, or submit written comments for dissemination prior to the

meeting, should be submitted via email to Ms. Megan Hyndman, Office of Energy & Environmental Industries, International Trade Administration, at Megan.Hyndman@trade.gov.

FOR FURTHER INFORMATION CONTACT: Ms. Megan Hyndman, Office of Energy & Environmental Industries, International Trade Administration (Phone: 202–482–1297; email: Megan.Hyndman@trade.gov).

SUPPLEMENTARY INFORMATION: The ETTAC is mandated by Section 2313(c) of the Export Enhancement Act of 1988, as amended, 15 U.S.C. 4728(c), to advise the Environmental Trade Promotion Working Group of the Trade Promotion Coordinating Committee on the development and administration of programs to expand U.S. exports of environmental technologies, goods, services, and products. The ETTAC was most recently re-chartered through August 6, 2026.

On Friday, July 25, 2025 from 12:00 p.m. to 1:00 p.m. ET, the ETTAC will hold the fifth meeting of its current charter term. During the meeting, committee members will deliberate on proposed recommendation letters. An agenda will be made available one week prior to the meeting upon request to Megan Hyndman.

The meeting will be open to the public and time will be permitted for public comment before the close of the meeting. Members of the public seeking to attend the meeting are required to register by Friday, July 18, at 5:00 p.m. EDT, via the registration portal at <https://www.trade.gov/ettac>. This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Megan.Hyndman@trade.gov or (202) 482–1297 no less than one week prior to the meeting. Requests received after this date will be accepted, but it may not be possible to accommodate them.

Written comments concerning ETTAC affairs are welcome any time before or after the meeting. To be considered during the meeting, written comments must be received by Friday, July 18, at 5:00 p.m. EDT to ensure transmission to the members before the meeting. Draft minutes will be available within 30 days of this meeting.

Dated: July 2, 2025.

Man K. Cho,

Deputy Director, Office of Energy and Environmental Industries.

[FR Doc. 2025–12683 Filed 7–7–25; 8:45 am]

BILLING CODE 3510-DR-P

⁷ See Memorandum, "Issues and Decision Memorandum for the Final Results of the Second Sunset Review of the Agreement Suspending the Antidumping Duty Investigation of Sugar from Mexico," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁸ See *Sugar from Mexico: Final Determination of Sales at Less than Fair Value*, 80 FR 57341 (September 23, 2015).

DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-880]

Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes From the Republic of Korea: 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) finds that heavy walled rectangular welded carbon steel pipes and tubes (HWRPT) from the Republic of Korea (Korea) were not sold at less than normal value during the period of review (POR) September 1, 2022, through August 31, 2023.

DATES: Applicable July 8, 2025.

FOR FURTHER INFORMATION CONTACT: Sofia Pedrelli, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-4301.

SUPPLEMENTARY INFORMATION:**Background**

On October 8, 2024, Commerce published in the **Federal Register** the preliminary results of the 2022–2023 administrative review¹ of the antidumping duty order on HWRPT from Korea.²

The review covers one company: HiSteel Co., Ltd. (HiSteel).

We invited parties to comment on the *Preliminary Results*.³ On November 7, 2024, we received case briefs from both HiSteel and the petitioner, Nucor Tubular Products Inc. (Nucor); we received a rebuttal brief from HiSteel on November 12, 2024.⁴ On December 9, 2024, we tolled administrative deadlines for antidumping and countervailing duty reviews by 90

days.⁵ For a complete description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.⁶ 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

The products covered by the *Order* are HWRPT from Korea. A complete description of the scope of the *Order* is contained in the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised in the case briefs filed by interested parties in this administrative review are addressed in the Issues and Decision Memorandum and are listed in an appendix 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 <http://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 a review of the record and comments received from interested parties regarding the *Preliminary Results*, and for the reasons explained in the Issues and Decision Memorandum, Commerce made certain changes to the preliminary weighted-average dumping margin calculations for HiSteel for the final results of review.⁷

On June 13 and June 16, 2025, respectively, the U.S. Court of Appeals for the Federal Circuit (Federal Circuit) issued mandates based on the Federal Circuit's opinions in *Marmen* and *Stupp*.⁸ In its opinions, the Federal Circuit held that it is unreasonable to use the Cohen's *d* test when the Cohen's *d* test is applied to data that do not satisfy certain statistical criteria.

Accordingly, in an effort to comply with the Federal Circuit's holdings regarding the Cohen's *d* test, Commerce has revised the differential pricing analysis used in these final results, as described in the Issues and Decision Memorandum.⁹

Final Results of Administrative Review

As a result of this review, we determine that the following estimated weighted-average dumping margins exist for the period September 1, 2022, through August 31, 2023:

Producer/exporter	Weighted-average dumping margin (percent)
HiSteel Co., Ltd	0.00

Disclosure

Commerce intends to disclose the calculations performed in connection with these final results of review to interested parties within five days after public announcement of the final results or, if there is no public announcement, 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)(C) of the Act, and 19 CFR 351.212(b)(1), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review.

Pursuant to 19 CFR 351.212(b)(1), because HiSteel reported the entered value of their U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for each importer's examined sales and the total entered value of those sales.

⁹ Although Commerce's preference is to provide interested parties with an opportunity to comment, given the impending statutory deadline of section 751(a)(2)(B)(iii) of the Act for the final results of this administrative review, there is insufficient time to allow for comments on the revised differential pricing analysis and related calculations for comment in this administrative review. Commerce's use of the average-to-average method in these final results remains unchanged from the *Preliminary Results* of this review. See *Preliminary Results* PDM at 6. Though parties did not have an opportunity to comment on the use of Commerce's new differential pricing analysis for the final results of this review, the new analysis did not impact the methodology used to calculate the dumping margin in these final results. No party argued in its case brief that the average-to-average method should not be used in the calculation of HiSteel's dumping margin in this review.

¹ See *Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea: Preliminary Results and Rescission of Antidumping Duty Administrative Review, in Part; 2022–2023*, 89 FR 81425 (October 8, 2024) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

² See *Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea, Mexico, and the Republic of Turkey: Antidumping Duty Orders*, 81 FR 62865 (September 13, 2016) (*Order*).

³ See *Preliminary Results*.

⁴ See HiSteel's Letter, "HiSteel's Case Brief," dated November 7, 2024; see also Nucor's Letter, "Nucor Tubular's Case Brief," dated November 7, 2024; and HiSteel's Letter, "HiSteel's Rebuttal Brief," dated November 12, 2024.

⁵ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Proceedings," dated December 9, 2024.

⁶ See Memorandum, "Issues and Decision Memorandum for the Final Results of the Administrative Review of the Antidumping Duty Order on Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea; 2022–2023," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁷ See Issues and Decision Memorandum.

⁸ See *Marmen Inc. v. United States*, 134 F.4th 1334 (Fed. Cir. 2025) (*Marmen*); *Stupp Corp. v. United States*, 2025 U.S. App. LEXIS 9616 (Fed. Cir. 2025) (non-precedential) (*Stupp*).

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 rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For entries of subject merchandise during the POI produced by each individually examined respondent for which the producer did not know that the merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate established in the less-than-fair-value (LTFV) investigation (*i.e.*, 3.24 percent)¹⁰ if there is no rate for the intermediate company(ies) involved in the transaction.¹¹

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

Upon publication of this notice in the **Federal Register**, 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 date of publication of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for each company listed above will be equal to the weighted-average dumping margin established in the final results of this review; (2) for merchandise exported by producers or exporters not covered in this review but covered in a prior completed segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published in the completed segment for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original LTFV investigation, but the producer has been covered in a prior completed segment of this proceeding, then the cash deposit rate will be the rate established in the completed segment for the most recent period for the producer of the merchandise; and (4) the cash deposit

rate for all other producers or exporters will continue to be 3.24 percent, the all-others rate established in the LTFV investigation for this proceeding.¹² 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 duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition 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 return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation subject to sanction.

Notification to Interested Parties

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

Dated: July 1, 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

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. Differential Pricing Analysis
- VI. Discussion of the Issues
 - Comment 1: Whether to Remove an Added Perimeter Reporting Code
 - Comment 2: Treatment of Sales Excluded in Preliminary Calculations
- VII. Recommendation

[FR Doc. 2025-12693 Filed 7-7-25; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-201-846]

Sugar From Mexico: Final Results of the Expedited Second Sunset Review of the Agreement Suspending the Countervailing Duty Investigation

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

SUMMARY: As a result of this sunset review, the U.S. Department of Commerce (Commerce) finds that termination of the Agreement Suspending the Countervailing Duty Investigation on Sugar from Mexico, as amended (Agreement), and the suspended countervailing duty (CVD) investigation would be likely to lead to continuation or recurrence of a countervailable subsidy at the levels indicated in the "Final Results of Review" section of this notice.

DATES: Applicable July 8, 2025.

FOR FURTHER INFORMATION CONTACT: Sally C. Gannon or Samantha Fino, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-0162 or (202) 482-2861, respectively.

SUPPLEMENTARY INFORMATION:

Background

On March 3, 2025, Commerce initiated the second sunset review of the Agreement¹ and the suspended CVD investigation on sugar from Mexico, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).² On March 17, 2025, Commerce received a notice of intent to participate in this sunset review from the American Sugar Coalition and its members (the petitioners),³ within the applicable deadline specified in 19 CFR 351.218(d)(1)(i).⁴ Commerce received a complete substantive response from the

¹ See *Sugar from Mexico: Suspension of Countervailing Duty Investigation*, 79 FR 78044 (December 29, 2014); and *Sugar from Mexico: Amendment to the Agreement Suspending the Countervailing Duty Investigation*, 85 FR 3613 (January 22, 2020) (collectively, Agreement) at Section I.

² See *Initiation of Five-Year (Sunset) Reviews*, 90 FR 11039 (March 3, 2025).

³ The members of the American Sugar Coalition are as follows: American Sugar Cane League, American Sugarbeet Growers Association, American Sugar Refining, Inc., Florida Sugar Cane League, Sugar Cane Growers Cooperative of Florida, and the United States Beet Sugar Association.

⁴ See Petitioners' Letter, "Sugar from Mexico: Notice of Intent to Participate," dated March 17, 2025.

¹⁰ See Order.

¹¹ See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

¹² *Id.*

petitioners within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).⁵ Commerce did not receive an adequate substantive response from any respondent interested party, nor was a hearing requested. As a result, Commerce conducted an expedited (120-day) sunset review, in accordance with 19 CFR 351.218(e)(1)(ii)(C)(2).

Scope of the Agreement

The merchandise subject to the *Agreement* is raw and refined sugar of all polarimeter readings derived from sugar cane or sugar beets. For a complete description of the merchandise subject to the Agreement,

see the Issues and Decision Memorandum.⁶

Analysis of Comments Received

A complete discussion of all issues raised in this sunset review, including the likelihood of continuation or recurrence of countervailable subsidies and the net countervailable subsidy likely to prevail if the Agreement and suspended CVD investigation were terminated, are addressed in the Issues and Decision Memorandum. 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>. A list of topics discussed in the Issues and Decision Memorandum is included as an appendix to this notice. A complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Final Results of Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, Commerce determines that termination of the Agreement and suspended CVD investigation on sugar from Mexico is likely to lead to the continuation or recurrence of a countervailable subsidy at the rates listed below:

Company	Subsidy rate (percent)
Fondo de Empresas Expropiadas del Sector Azucarero	43.93
Ingenio Tala S.A. de C.V. and certain affiliated sugar mills of Grupo Azucarero Mexico S.A. de C.V	5.78
All Others	38.11

Administrative Protective Order (APO)

This notice also serves as the only 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. Timely 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 terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

Commerce is issuing and publishing the results and notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act, and 19 CFR 351.218.

Dated: July 1, 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

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Agreement*
- IV. History of the Proceeding
- V. Legal Framework

⁵ See Petitioners’ Letter, “Sugar from Mexico: Substantive Response to Notice of Initiation of Five-Year (Sunset) Reviews of the Antidumping and Countervailing Duty Suspension Agreements,” dated April 2, 2025.

VI. Discussion of the Issues

- 1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
- 2. Net Countervailable Subsidy Rates Likely to Prevail
- 3. Nature of the Subsidies

VII. Final Results of the Expedited Sunset Review

VIII. Recommendation

[FR Doc. 2025–12633 Filed 7–7–25; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[RTID 0648–XF013]

Marine Mammals; File No. 23802

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

ACTION: Notice; issuance of a permit amendment.

SUMMARY: Notice is hereby given that a minor amendment has been issued to Scientific Research Permit No. 23802 for the University of Florida, Aquatic Animal Health Program, College of Veterinary Medicine, 2015 SW 16th Avenue, Gainesville, FL 32608 (Responsible Party: Michael Walsh, D.V.M.).

⁶ See Memorandum, “Issues and Decision Memorandum for the Final Results of the Second Sunset Review of the Agreement Suspending the Countervailing Duty Investigation on Sugar from Mexico,” dated concurrently with, and hereby

ADDRESSES: The amendment and related documents are available for review upon written request via email to NMFS.Pr1Comments@noaa.gov.

FOR FURTHER INFORMATION CONTACT: Shasta McClenahan, Ph.D., or Jennifer Skidmore, (301) 427–8401.

SUPPLEMENTARY INFORMATION: The requested amendment has been granted under the authority of the Marine Mammal Protection Act of 1972, as amended (16 U.S.C. 1361 *et seq.*) and the regulations governing the taking and importing of marine mammals (50 CFR part 216), the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 *et seq.*), the regulations governing the taking, importing, and exporting of endangered and threatened species (50 CFR parts 222–226), and the Fur Seal Act of 1966, as amended (16 U.S.C. 1151 *et seq.*).

The original permit issued on November 16, 2020 (85 FR 79169, December 9, 2020) is valid through November 30, 2025 and authorizes the applicant to receive, import, and export marine mammal parts to (1) analyze diagnostic samples; and (2) discover, investigate, and determine baseline levels for marine mammal health, infectious disease, microbiome, genetics, toxins, contaminants, nutrition, and reproduction. The minor amendment extends the duration of the permit through November 30, 2026, but

adopted by, this notice (Issues and Decision Memorandum).

does not change any other terms or conditions of the permit.

Dated: July 3, 2025.

Shannon Bettridge,

Chief, Marine Mammal and Sea Turtle Conservation Division, Office of Protected Resources, National Marine Fisheries Service.

[FR Doc. 2025–12692 Filed 7–7–25; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Evaluation of National Estuarine Research Reserve; Notice of Public Meeting; Request for Comments

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

ACTION: Notice of public meeting; opportunity to comment.

SUMMARY: The National Oceanic and Atmospheric Administration's (NOAA) Office for Coastal Management will hold a virtual public meeting to solicit input on the performance evaluation of the North Inlet-Winyah Bay National Estuarine Research Reserve. NOAA also invites the public to submit written comments.

DATES: NOAA will hold a virtual public meeting on Tuesday, August 19, 2025, at 5:30 p.m. Eastern Time (ET). NOAA may close the meeting 10 minutes after the conclusion of public testimony and after responding to any clarifying questions from meeting participants. NOAA will consider all relevant written comments received by Friday, August 29, 2025.

ADDRESSES: Comments may be submitted by one of the following methods:

- *Virtual Public Meeting:* Provide oral comments during the public meeting on Tuesday, August 19, 2025, at 5:30 p.m. ET by registering as a speaker at <https://forms.gle/1ye3VTibrkiWHsf9>. Please register by Tuesday, August 19, 2025, at 8 a.m. ET. Upon registration, NOAA will send a confirmation email. The speaker lineup is based on the date and time of registration. At least one hour prior to the start of the August 19, 2025 virtual meeting, NOAA will send an email to all registrants with a link to the public meeting and information about participating. While advance registration is requested, registration will remain open until the meeting closes, and any participant may provide oral comment after the registered

speakers conclude. Meeting registrants may remain anonymous by typing "Anonymous" in the "First Name" and "Last Name" fields on the registration form.

- *Email:* Send written comments to Pam Kylstra, Evaluator, NOAA Office for Coastal Management, at czma.evaluations@noaa.gov. Include "Comments on Performance Evaluation of the North Inlet-Winyah Bay National Estuarine Research Reserve" in the subject line. NOAA will accept anonymous comments; however, all comments NOAA receives are part of the public record, and the entirety of the comment, including the name of the commenter, email address, attachments, and other supporting materials, will be publicly accessible. Do not submit confidential business information or otherwise sensitive or personally identifiable information, such as account numbers and Social Security numbers. Comments that are not related to the performance evaluation of the North Inlet-Winyah Bay National Estuarine Research Reserve or that contain profanity, vulgarity, threats, or other inappropriate language will not be considered.

FOR FURTHER INFORMATION CONTACT: Pam Kylstra, Evaluator, NOAA Office for Coastal Management, by email at CZMA.evaluations@noaa.gov or by phone at (843) 439–5568. Copies of the previous evaluation findings, reserve management plan, and reserve site profile may be viewed and downloaded online at <http://coast.noaa.gov/czm/evaluations/>. A copy of the evaluation notification letter and most recent progress report may be obtained upon request by contacting Pam Kylstra.

SUPPLEMENTARY INFORMATION: Section 315(f) of the Coastal Zone Management Act (CZMA) requires NOAA to conduct periodic evaluations of federally approved national estuarine research reserves. The evaluation process includes holding one or more public meetings, consideration of written public comments, and consultations with interested federal, state, and local agencies and members of the public. During the evaluation, NOAA will consider the extent to which the state of South Carolina has met the national objectives and adhered to the management program approved by the Secretary of Commerce, the requirements of Section 315(b)(2) of the CZMA, and the terms of financial assistance under the CZMA. When the evaluation is complete, NOAA's Office for Coastal Management will place a notice in the **Federal Register**

announcing the availability of the final evaluation findings.

Authority: 16 U.S.C. 1461.

Keelin Kuipers,

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

[FR Doc. 2025–12667 Filed 7–7–25; 8:45 am]

BILLING CODE 3510–08–P

DEPARTMENT OF COMMERCE

Patent and Trademark Office

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request; Legal Processes

AGENCY: United States Patent and Trademark Office, Department of Commerce.

ACTION: Notice of information collection; request for comments.

SUMMARY: The United States Patent and Trademark Office (USPTO), as required by the Paperwork Reduction Act of 1995, invites comments on the extension of an existing information collection: 0651–0046 (Legal Processes). The purpose of this notice is to allow 60 days for public comments preceding submission of the information collection to the Office of Management and Budget (OMB).

DATES: To ensure consideration, you must submit comments regarding this information collection on or before September 8, 2025.

ADDRESSES: Interested persons are invited to submit written comments by any of the following methods. Do not submit Confidential Business Information or otherwise sensitive or protected information.

- *Email* InformationCollection@uspto.gov. Include "0651–0046 comment" in the subject line of the message.

- *Federal eRulemaking Portal:* <http://www.regulations.gov>.

- *Mail:* Justin Isaac, Office of the Chief Administrative Officer, United States Patent and Trademark Office, P.O. Box 1450, Alexandria, VA 22313–1450.

FOR FURTHER INFORMATION CONTACT: Requests for additional information should be directed to Kyu Lee, Office of General Law at: United States Patent and Trademark Office, P.O. Box 1450, Alexandria, VA 22313–1450; 571–272–3000; or Kyu.Lee@uspto.gov with "0651–0046 comment" in the subject line. Additional information about this

information collection is also available at <http://www.reginfo.gov> under "Information Collection Review."

SUPPLEMENTARY INFORMATION:

I. Abstract

This collection covers information requirements related to civil actions and claims involving current and former employees of the United States Patent and Trademark Office (USPTO). The rules for these legal processes may be found under 37 CFR part 104, which outlines procedures for service of process, demands for employee testimony and production of documents in legal proceedings, reports of unauthorized testimony, employee indemnification, and filing claims against the USPTO under the Federal Tort Claims Act (28 U.S.C. 2672) and the corresponding Department of Justice regulations (28 CFR part 14). The public may also petition the USPTO Office of General Counsel under 37 CFR 104.3 to waive or suspend these rules in extraordinary cases.

The procedures under 37 CFR part 104 ensure that service of process intended for current and former employees of the USPTO is handled properly. The USPTO will only accept

service of process for an employee acting in an official capacity. This collection is necessary so that respondents or their representatives can serve a summons or complaint on the USPTO, demand employee testimony and documents related to a legal proceeding, or file a claim under the Federal Tort Claims Act. Respondents may also petition the USPTO to waive or suspend these rules for legal processes. This collection is also necessary so that current and former USPTO employees may properly forward service and demands to the Office of General Counsel, report unauthorized testimony, and request indemnification. The USPTO covers current employees as respondents under this information collection even though their responses do not require approval under the Paperwork Reduction Act. In those instances where both current and former employees may respond to the USPTO, the agency estimates that the number of respondents will be small.

For filing claims under the Federal Tort Claims Act, the public may use Standard Form 95 "Claim for Damage, Injury, or Death," which is provided by the Department of Justice.

II. Method of Collection

Items in this information collection must be submitted by mail.

III. Data

OMB Control Number: 0651-0046.

Forms:

- Standard Form 95 (Claim for Damage, Injury, or Death).

Type of Review: Extension of a currently approved information collection.

Affected Public: Private sector.

Respondent's Obligation: Required to obtain or retain benefits.

Estimated Number of Annual Respondents: 309 respondents.

Estimated Number of Annual Responses: 309 responses.

Estimated Time per Response: The USPTO estimates that the responses in this information collection will take the public approximately 5 minutes (0.08 hours) to 6 hours to complete. This includes the time to gather the necessary information, create the document, and submit the completed item(s) to the USPTO.

Estimated Total Annual Respondent Burden Hours: 131 hours.

Estimated Total Annual Respondent Hourly Cost Burden: \$58,219.

TABLE 1—TOTAL BURDEN HOURS AND HOURLY COSTS TO PRIVATE SECTOR RESPONDENTS

Item No.	Item	Estimated annual respondents	Responses per respondent	Estimated annual responses	Estimated time for response (hours)	Estimated burden (hour/year)	Rate ¹ (\$/hour)	Estimated annual respondent cost burden
		(a)	(b)	(a) × (b) = (c)	(d)	(c) × (d) = (e)	(f)	(e) × (f) = (g)
1	Petition to Waive Rules.	5	1	5	0.50 (30 minutes)	3	\$447	\$1,341
2	Service of Process	243	1	243	0.08 (5 minutes)	19	447	8,493
3	Forwarding Service ...	7	1	7	0.17 (10 minutes)	1	447	447
4	Employee Testimony and Production of Documents in Legal Proceedings.	33	1	33	2	66	447	29,502
5	Forwarding Demands	10	1	10	0.17 (10 minutes)	2	447	894
6	Report of Unauthorized Testimony.	1	1	1	0.50 (30 minutes)	1	447	447
7	Report of Possible Indemnification Cases.	3	1	3	0.50 (30 minutes)	2	447	894
8	Employee Indemnification.	1	1	1	0.50 (30 minutes)	1	109.42	109
9	Tort Claims	6	1	6	6	36	447	16,092
Totals ...	.....	309	.....	309	.....	131	.....	58,219

Estimated Total Annual Respondent Non-Hourly Cost Burden: \$1,379. There

¹ 2023 Report of the Economic Survey, published by the Committee on Economics of Legal Practice of the American Intellectual Property Law Association (AIPLA); pg. F-41. The USPTO uses the average billing rate for intellectual property work in all firms which is \$447 per hour (<https://www.aipla.org/home/news-publications/economic-survey>).

2025 OPM Salary Table for the Washington Locality Pay Area: [https://www.opm.gov/policy-](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2025/DCB_h.pdf)

are no capital start-up costs, maintenance costs, or recordkeeping costs associated with this information collection. However, the USPTO estimates that the total annual non-hourly cost burden for this information collection, in the form of filing fees and postage, is \$1,379.

[data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2025/DCB_h.pdf](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2025/DCB_h.pdf).

Filing Fees

This collection has a filing fee associated with the petition to waive or suspend the legal process rules under 37 CFR 104.3. The fee is listed in Table 2 below.

TABLE 2—FILING FEES

Item No.	Item	Estimated annual responses (a)	Filing fee (\$) (b)	Non-hourly cost burden (a) × (b) = (c)
1	Petition to waive or suspend the legal process rules under 37 CFR 104.3.	5	\$130	\$650
Totals	.....	5	.....	650

Postage Costs

The USPTO estimates that all submissions in this collection will be submitted by mail. The USPTO estimates that 308 items will be submitted by mail in a large envelope. The average first-class postage for a four-ounce mailed submission in a large envelope is \$2.31, resulting in a total of \$711 for submissions other than a Service of Process. The USPTO estimates that 1 Service of Process will be submitted by certified mail in a Priority Mail flat-rate envelope with a return receipt. The USPTO estimates that the average cost for a certified Priority mail flat-rate envelope with a return receipt is \$17.87, resulting in \$18 for Service of Process submissions. Therefore, the USPTO estimates the total combined postage cost for this collection is \$729.

IV. Request for Comments

The USPTO is soliciting public comments to:

(a) Evaluate whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(b) Evaluate the accuracy of the agency's estimate of the burden of the 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.

All comments submitted in response to this notice are a matter of public record. The USPTO will include or summarize each comment in the request to OMB to approve this information collection. Before including an address, phone number, email address, or other personally identifiable information (PII)

in a comment, be aware that the entire comment—including PII—may be made publicly available at any time. While you may ask in your comment to withhold PII from public view, the USPTO cannot guarantee that it will be able to do so.

Justin Isaac,

Information Collections Officer, Office of the Chief Administrative Officer, United States Patent and Trademark Office.

[FR Doc. 2025–12637 Filed 7–7–25; 8:45 am]

BILLING CODE 3510–16–P

COMMODITY FUTURES TRADING COMMISSION

Agency Information Collection Activities: Notice of Intent To Extend Collection 3038–0111: Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants—Cross-Border Application of the Margin Requirements

AGENCY: Commodity Futures Trading Commission.

ACTION: Notice.

SUMMARY: The Commodity Futures Trading Commission (“CFTC” or “Commission”) is announcing an opportunity for public comment on the proposed renewal of a collection of certain information by the agency. Under the Paperwork Reduction Act (“PRA”), Federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension of an existing collection of information, and to allow 60 days for public comment. This notice solicits comments on the burdens associated with the information collections associated with the Commission’s Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants—Cross-Border Application of the Margin Requirements, including (1) requesting a comparability determination from the Commission; (2) maintaining policies and procedures for compliance with the

Commission’s special provisions for non-netting jurisdictions and non-segregation jurisdictions; and (3) maintaining books and records properly documenting that all of the requirements of the special provisions for non-netting jurisdictions and non-segregation jurisdictions are satisfied.

DATES: Comments must be submitted on or before September 8, 2025.

ADDRESSES: You may submit comments, identified by “Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants—Cross-Border Application of the Margin Requirements,” Collection Number 3038–0111, by any of the following methods:

- The Agency’s website, at <https://comments.cftc.gov/>. Follow the instructions for submitting comments through the website.

- **Mail:** Christopher Kirkpatrick, Secretary of the Commission, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street NW, Washington, DC 20581.

- **Hand Delivery/Courier:** Same as “Mail” above.

Please submit your comments using only one method. All comments must be submitted in English, or if not, accompanied by an English translation. Comments will be posted as received to <https://www.cftc.gov>.

FOR FURTHER INFORMATION CONTACT: Dina Moussa, Special Counsel, Market Participants Division, at (202) 418–5696, or dmoussa@cftc.gov; or Catherine Brescia, Attorney Advisor, Market Participants Division, (202) 418–6236, or cbrescia@cftc.gov, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street NW, Washington, DC 20581; and refer to OMB Control No. 3038–0111.

SUPPLEMENTARY INFORMATION: Under the PRA, 44 U.S.C. 3501 *et seq.*, Federal agencies must obtain approval from the Office of Management and Budget (“OMB”) for each collection of information they conduct or sponsor. “Collection of Information” is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3 and includes agency requests or

requirements that members of the public submit reports, keep records, or provide information to a third party. Section 3506(c)(2)(A) of the PRA, 44 U.S.C. 3506(c)(2)(A), requires Federal agencies to provide a 60-day notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, the CFTC is publishing notice of the proposed extension of the existing collections of information listed below. 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.

Title: Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants—Cross-Border Application of the Margin Requirements (OMB Control No. 3038–0111). This is a request for an extension of currently approved information collections.

Abstract: Section 731 of the Dodd-Frank Wall Street Reform and Consumer Protection Act¹ amended the Commodity Exchange Act (“CEA”) ² to add, as Section 4s(e) thereof, provisions concerning the setting of initial and variation margin requirements for swap dealers (“SDs”) and major swap participants (“MSPs”).³ Each SD and MSP for which there is a Prudential Regulator, as defined in Section 1a(39) of the CEA,⁴ must meet margin requirements established by the applicable Prudential Regulator, and each SD and MSP for which there is no Prudential Regulator (“Covered Swap Entities” or “CSEs”) must comply with the Commission’s Regulations governing margin on all swaps that are not centrally cleared.

With regard to the cross-border application of the Commission’s margin rules, Section 2(i) ⁵ of the CEA provides the Commission with express authority over activities outside the United States relating to swaps when certain conditions are met. Section 2(i) of the CEA provides that the provisions of the CEA relating to swaps that were enacted by the Wall Street Transparency and Accountability Act of 2010 (including any rule prescribed or regulation promulgated under that Act), shall not apply to activities outside the United States unless those activities (1) have a direct and significant connection with

activities in, or effect on, commerce of the United States or (2) contravene such rules or regulations as the Commission may prescribe or promulgate as are necessary or appropriate to prevent the evasion of any provision of the CEA that was enacted by the Wall Street Transparency and Accountability Act of 2010.

On May 31, 2016, the Commission published the Final Rule addressing the cross-border application of its margin requirements for uncleared swaps applicable to CSEs.⁶ The Final Rule contains a collection of information under Commission Regulation 23.160(c) ⁷ regarding requests for comparability determinations, and information collections regarding non-netting jurisdictions,⁸ and non-segregation jurisdictions.⁹

Under Commission Regulation 23.160(c)(1),¹⁰ a CSE that is eligible for substituted compliance, or a foreign regulatory agency that has direct supervisory authority over one or more CSEs and that is responsible for administering the relevant foreign jurisdiction’s margin requirements, may request, individually or collectively, that the Commission make a determination that a CSE that complies with margin requirements in the relevant foreign jurisdiction would be deemed to be in compliance with the Commission’s corresponding margin rule (a “comparability determination”). Once a comparability determination is made for a jurisdiction, it applies for all entities or transactions in that jurisdiction to the extent provided in the comparability determination, as approved by the Commission and subject to any conditions specified by the Commission. All CSEs, regardless of whether they rely on a comparability determination, remain subject to the

Commission’s examination and enforcement authority.

Commission Regulation 23.160(c)(2) ¹¹ requires that applicants for a comparability determination provide copies of the relevant foreign jurisdiction’s margin requirements and descriptions of their objectives, how they differ from the margin policy framework for non-cleared, bilateral derivatives set forth by the Basel Committee on Banking Supervision and the International Organization of Securities Commissions, and how they address the elements of the Commission’s margin requirements. The applicant must identify the specific legal and regulatory provisions of the foreign jurisdiction’s margin requirements that correspond to each element and, if necessary, whether the relevant foreign jurisdiction’s margin requirements do not address a particular element.

Commission Regulation 23.160(d) ¹² includes a special provision for non-netting jurisdictions. This provision allows CSEs that cannot conclude after sufficient legal review with a well-founded basis that the netting agreement with a counterparty in a foreign jurisdiction meets the definition of an “eligible master netting agreement” set forth in Commission Regulation 23.151 ¹³ to nevertheless net uncleared swaps in determining the amount of margin that they post, provided that certain conditions are met. In order to avail itself of this special provision, a CSE must treat the uncleared swaps covered by the agreement on a gross basis in determining the amount of initial and variation margin that it must collect, but may net those uncleared swaps in determining the amount of initial and variation margin it must post to the counterparty, in accordance with the netting provisions of Commission Regulations 23.152(c) and 23.153(d).¹⁴ A CSE that enters into uncleared swaps in “non-netting” jurisdictions in reliance on this provision must have policies and procedures ensuring that it complies with the special provision’s requirements, and maintain books and records properly documenting that all of the requirements of this exception are satisfied.

Commission Regulation 23.160(e) ¹⁵ includes a special provision for non-segregation jurisdictions that allows non-U.S. CSEs that are Foreign Consolidated Subsidiaries (“FCS”) (as

⁶ See *Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants—Cross-Border Application of the Margin Requirements*, 81 FR 34818 (May 31, 2016).

⁷ 17 CFR 23.160(c).

⁸ As used in the adopting release, a “non-netting jurisdiction” is a jurisdiction in which a CSE cannot conclude, with a well-founded basis, that the netting agreement with a counterparty in that foreign jurisdiction meets the definition of an “eligible master netting agreement” set forth in Commission Regulation 23.151, and as described in Section II.B.5.b of the adopting release.

⁹ As used in the adopting release, a “non-segregation jurisdiction” is a jurisdiction where inherent limitations in the legal or operational infrastructure of the foreign jurisdiction make it impracticable for the CSE and its counterparty to post initial margin pursuant to custodial arrangements that comply with the Commission’s margin rules, as further described in Section II.B.4.b of the adopting release.

¹⁰ 17 CFR 23.1609(c)(1).

¹¹ 17 CFR 23.1609(c)(2).

¹² 17 CFR 23.160(d).

¹³ 17 CFR 23.151.

¹⁴ 17 CFR 23.152(c); 17 CFR 23.153(d).

¹⁵ 17 CFR 23.160(e).

¹ Public Law 111–023, 124 Stat. 1376 (2010).

² U.S.C. 1 *et seq.*

³ U.S.C. 6s(e).

⁴ U.S.C. 1a(39).

⁵ U.S.C. 2(i).

defined in Commission Regulation 23.160(a)(1)¹⁶ and foreign branches of U.S. CSEs to engage in swaps in foreign jurisdictions where inherent limitations in the legal or operational infrastructure make it impracticable for the CSE and its counterparty to post collateral in compliance with the custodial arrangement requirements of the Commission's margin rules, subject to certain conditions. In order to rely on this special provision, a FCS or foreign branch of a U.S. CSE is required to satisfy all of the conditions of the rule, including that (1) inherent limitations in the legal or operational infrastructure of the foreign jurisdiction make it impracticable for the CSE and its counterparty to post any form of eligible initial margin collateral for the uncleared swap pursuant to custodial arrangements that comply with the Commission's margin rules; (2) foreign regulatory restrictions require the CSE to transact in uncleared swaps with the counterparty through an establishment within the foreign jurisdiction and do not permit the posting of collateral for the swap in compliance with the custodial arrangements of Commission Regulation 23.157¹⁷ in the United States or a jurisdiction for which the Commission has issued a comparability determination under Commission Regulation 23.160(c) with respect to Commission Regulation 23.157; (3) the CSE's counterparty is not a U.S. person and is not a CSE, and the counterparty's obligations under the uncleared swap are not guaranteed by a U.S. person; (4) the CSE collects initial margin in cash on a gross basis, and posts and collects variation margin in cash, in accordance with specific requirements; (5) for each broad risk category, as set out in Commission Regulation 23.154(b)(2)(v),¹⁸ the total outstanding notional value of all uncleared swaps in that broad risk category, as to which the CSE is relying on under Commission Regulation 23.160(e),¹⁹ may not exceed 5 percent of the CSE's total outstanding notional value for all uncleared swaps in the same broad risk category; (6) the CSE has policies and procedures ensuring that it is in compliance with the requirements of this provision; and (7) the CSE maintains books and records properly documenting that all of the requirements of this provision are satisfied.

With respect to the collection of information, the CFTC invites comments on:

- Whether the proposed collections of information are necessary for the proper performance of the functions of the Commission, including whether the information will have a practical use;

- The accuracy of the Commission's estimate of the burdens of the proposed collections of information, including the validity of the methodology and assumptions used;

- Ways to enhance the quality, usefulness, and clarity of the information to be collected; and

- Ways to minimize the burdens of 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).

You should submit only information that you wish to make available publicly. If you wish the Commission to consider information that you believe is exempt from disclosure under the Freedom of Information Act ("FOIA"), a petition for confidential treatment of the exempt information may be submitted according to the procedures established in § 145.9 of the Commission's regulations.²⁰

The Commission reserves the right, but shall have no obligation, to review, pre-screen, filter, redact, refuse or remove any or all of your submission from <https://www.cftc.gov> that it may deem to be inappropriate for publication, such as obscene language. All submissions that have been redacted or removed that contain comments on the merits of the information collection requests will be retained in the public comment file and will be considered as required under the Administrative Procedure Act, and other applicable laws, and may be accessible under FOIA.

• *Burden Statement—Information Collection for Comparability Determinations:*

The Commission estimates that 50 CSEs may request a comparability determination pursuant to Commission Regulation 23.160(c).²¹ The Commission notes that any foreign regulatory agency that has direct supervisory authority

over one or more CSEs and that is responsible for administering the relevant foreign jurisdiction's margin requirements may also apply for a comparability determination. However, once a comparability determination is made for a jurisdiction, it will apply for all entities or transactions in that jurisdiction to the extent provided in the determination, as approved by the Commission. To date, the Commission has issued a comparability determination for 3 jurisdictions.²² Accordingly, the Commission estimates that it will receive requests from the 13 remaining jurisdictions within the Group of 20 ("G20"),²³ in addition to Switzerland. The number of burden hours associated with such requests is estimated to be 40 hours. Accordingly, the respondent burden for this collection is estimated to be as follows:

Estimated Number of Respondents:

14.

Estimated Number of Responses per Respondent: 1.

Estimated Average Burden Hours per Respondent: 40.

Estimated Total Annual Burden Hours: 560.

Frequency of Collection: Once.

There are no capital costs or operating and maintenance costs associated with this collection.

• *Burden Statement—Information Collection for Non-Netting Jurisdictions:*

The Commission is revising its estimate of the burden for this collection to reflect the current number of registrants subject to the Commission's margin requirements for uncleared swaps. Specifically, the Commission estimates that approximately 50 CSEs may rely on Commission Regulation 23.160(d).²⁴ Furthermore, the

²² See Comparability Determination for Japan: Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants, 81 FR 63376 (Sep. 15, 2016); Comparability Determination for the European Union: Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants, 82 FR 48394 (Oct. 18, 2017); Comparability Determination for Australia: Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants, 84 FR 12908 (Apr. 3, 2019). The Commission subsequently amended its comparability determination for Japan. See Amendment to Comparability Determination for Japan: Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants, 84 FR 12074 (Apr. 1, 2019).

²³ The G20 is comprised of foreign leaders and central bank managers from the top 19 countries with the largest economies along with the European Union.

²⁴ See *supra* n.21. Because all of these CSEs are eligible to use the special provision for non-netting jurisdictions, the Commission estimates that 50 CSEs may rely on Commission Regulation 23.160(d). Since the prior renewal of this information collection, the number of CSEs decreased from 53 to 50.

¹⁶ 17 CFR 23.160(a)(1).

¹⁷ 17 CFR 23.157.

¹⁸ 17 CFR 23.154(b)(2)(v).

¹⁹ 17 CFR 23.160.

²⁰ 17 CFR 145.9. See *Confidential Information and Commission Records and Information*, 74 FR 17395 (Apr. 15, 2009).

²¹ Currently, there are 107 swap entities registered with the Commission. Of the 107 Commission-registered swap entities, the Commission estimates that 50 are CSEs not subject to Prudential Regulation; and are therefore subject to the Commission's margin rules. Since the last PRA renewal of this information collection, the number of CSEs has decreased from 53 to 50. Therefore, the Commission is revising its estimate in light of the current number of Commission-registered CSEs.

Commission estimates that these CSEs would incur an average of 10 annual burden hours to maintain books and records properly documenting that all of the requirements of this exception are satisfied (including policies and procedures ensuring compliance). Accordingly, the respondent burden for this collection is estimated to be as follows:

Estimated Number of Respondents: 50.

Estimated Average Burden Hours per Respondent: 10.

Estimated Total Annual Burden Hours: 500.

Frequency of Collection: Once; As needed.

There are no capital costs or operating and maintenance costs associated with this collection.

• *Burden Statement—Information Collection for Non-Segregation Jurisdictions:*

The Commission estimates that there are eight jurisdictions for which the first two conditions specified above for non-segregation jurisdictions are satisfied and where FCSs and foreign branches of U.S. CSEs that are subject to the Commission's margin rules may engage in swaps. The Commission estimates that approximately 12 FCSs or foreign branches of U.S. CSEs may rely on Commission Regulation 23.160(e) in some or all of these jurisdictions. The Commission estimates that each FCS or foreign branch of a U.S. CSE relying on this provision would incur an average of 20 annual burden hours to maintain books and records properly documenting that all of the requirements of this provision are satisfied (including policies and procedures for ensuring compliance) with respect to each jurisdiction as to which they rely on the special provision. Thus, based on the estimate of eight non-segregation jurisdictions, the Commission estimates that each of the approximately 12 FCSs and foreign branches of U.S. CSEs that may rely on this provision will incur an estimated 160 average burden hours per year (*i.e.*, 20 average burden hours per jurisdiction multiplied by 8). Accordingly, the respondent burden for this collection is estimated to be as follows:

Estimated Number of Respondents: 12.

Estimated Average Burden Hours per Respondent: 160.

Estimated Total Annual Burden Hours: 1,920.

Frequency of Collection: Once; As needed.

There are no capital costs or operating and maintenance costs associated with this collection.

(Authority: 44 U.S.C. 3501 *et seq.*)

Dated: July 3, 2025.

Robert Sidman,

Deputy Secretary of the Commission.

[FR Doc. 2025–12639 Filed 7–7–25; 8:45 am]

BILLING CODE 6351–01–P

DEPARTMENT OF DEFENSE

Department of the Air Force

Notice of Federal Advisory Committee Meeting

AGENCY: Board of Visitors of the U.S. Air Force Academy (BoV AFA), Department of the Air Force.

ACTION: Notice of Federal advisory committee meeting.

SUMMARY: The Department of Defense (DoD) is publishing this notice to announce that the following Federal advisory committee meeting of the Board of Visitors of the U.S. Air Force Academy (BoV AFA) will take place.

DATES: Open to the public Thursday, August 7, 2025 from approximately 8:30 a.m. to 11:30 a.m. (mountain time).

ADDRESSES: The meeting will occur in-person with virtual option. Members of the public will only be allowed to attend the meeting virtually. The link for the virtual meeting can be found at: <https://www.usafa.edu/about/bov/> and will be active approximately thirty minutes before the start of the meeting.

FOR FURTHER INFORMATION CONTACT:

Designated Federal Officer: Dr. Raquel Rimpola, bov@afacademy.af.edu, 703–614–4751, 1660 Air Force Pentagon, Washington, DC 20330–1660.

Alternate Designated Federal Officer: Ms. Blaire Brush, bov@afacademy.af.edu, 2304 Cadet Drive, Suite 3200, USAF Academy, CO 80840–5025.

USAFA BoV Website: <https://www.usafa.edu/about/bov/>. Contains information on the Board of Visitors, link to the virtual meeting, and approved meeting agenda.

SUPPLEMENTARY INFORMATION: This meeting is being held under the provisions of the Federal Advisory Committee Act (FACA) (5 U.S.C. 1001 *et seq.*), the Government in the Sunshine Act (5 U.S.C. 552b), and 41 CFR 102–3.140 and 102–3.150.

Purpose of the Meeting: In accordance with 10 U.S.C. 9455(e)(1), the BoV AFA provides independent advice and recommendations to the Secretary of Defense, through the Secretary of the Air Force, on matters relating to the U.S. Air Force Academy (USAFA), including morale, discipline, and social climate,

the curriculum, instruction, physical equipment, fiscal affairs, academic methods, and other matters relating to the USAFA that the BoV AFA decides to consider. This is the 2025 Organizational Meeting of the BoV AFA.

Written Statements: Pursuant to 41 CFR 102–3.105(j) and section 102–3.140 and section 1009(a)(3) of FACA, any member of the public wishing to provide input to the BoV AFA may submit a written statement. The public or interested organizations may submit written comments or statements to the Board about its mission and/or the topics to be addressed in the open sessions of this public meeting. Written comments or statements should be submitted to the Alternate Designated Federal Officer via electronic mail, at the email address listed in the **FOR**

FURTHER INFORMATION CONTACT section in the following formats: Adobe Acrobat and/or Microsoft Word. The comment or statement must include the author's name, title, affiliation, address, and daytime telephone number. Written comments or statements being submitted in response to the agenda set forth in this notice must be received at least five (5) business days prior to the meeting so they may be made available to the BoV Chairman for consideration prior to the meeting. Written comments or statements received after July 30, 2025, may not be provided to the BoV until its next meeting. Please note that because the BoV operates under FACA, all written comments will be treated as public documents and will be made available for public inspection.

Disability and Language Accommodations: Please direct any requests for disability or language accommodations to the Alternate Designated Federal Officer in the **FOR FURTHER INFORMATION CONTACT** section above.

Tommy W. Lee,

Acting Air Force Federal Register Liaison Officer.

[FR Doc. 2025–12682 Filed 7–7–25; 8:45 am]

BILLING CODE 3911–44–P

DEPARTMENT OF ENERGY

Agency Information Collection Extension

AGENCY: U.S. Department of Energy.

ACTION: Notice of request for comments.

SUMMARY: The Department of Energy (DOE) invites public comments on a proposed collection of information that DOE is developing for submission to the Office of Management and Budget

(OMB) pursuant to the Paperwork Reduction Act of 1995.

DATES: Comments regarding this proposed information collection must be received on or before August 7, 2025. If you anticipate that you will be submitting comments but find it difficult to do so within the period of time allowed by this notice, please advise the DOE Desk Officer at OMB of your intention to make a submission as soon as possible. The Desk Officer may be telephoned at (202) 395-4718.

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. Find this information collection by selecting "Currently under 30-day Review—Open for Public Comments" or by using the search function.

FOR FURTHER INFORMATION CONTACT: Kara Podkaminer, Senior Adviser, Transportation and Fuels, Office of Energy Efficiency and Renewable Energy; 1000 Independence Avenue SW, Washington, DC 20585; 45y48eemissionsrequest@ee.doe.gov; (202) 586-5000.

SUPPLEMENTARY INFORMATION:

Comments are invited on: (a) Whether the extended 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 proposed collection of information, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be 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.

This information collection request contains:

(1) *OMB No.:* 1910-NEW;
(2) *Information Collection Request Title:* Greenhouse Gas Emissions Value Analysis;

(3) *Type of Request:* New Collection;
(4) *Purpose:* DOE seeks to collect information from electricity producers in order to provide such electricity producers with an emissions value that a qualifying facility may use to petition the Internal Revenue Service (IRS) for a Provisional Emissions Rate (PER) and claim the section 45Y or 48E tax credits. DOE will share relevant information collected with one or more National Laboratories as needed so those

Laboratories can perform the required emissions analysis. Likely respondents include owners of electricity generating facilities or energy storage technology, as defined in 26 U.S.C. 45Y, 48E;

(5) *Annual Estimated Number of Respondents:* 20;

(6) *Annual Estimated Number of Total Responses:* 20;

(7) *Annual Estimated Number of Burden Hours:* 800;

(8) *Annual Estimated Reporting and Recordkeeping Cost Burden:* \$77,368.

Statutory Authority: 26 U.S.C. 45Y, 48E; 26 CFR 1.45Y, 1.48E.

Signing Authority

This document of the Department of Energy was signed on July 3, 2025, by Louis Hrkman, Principal Deputy Assistant Secretary for Energy Efficiency and Renewable Energy, pursuant to delegated authority from the Secretary of Energy. That document with the original signature and date is maintained by DOE. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the **Federal Register**.

Signed in Washington, DC, on July 3, 2025.

Treena V. Garrett,

Federal Register Liaison Officer, U.S.

Department of Energy.

[FR Doc. 2025-12676 Filed 7-7-25; 8:45 am]

BILLING CODE 6450-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #2

Take notice that the Commission received the following exempt wholesale generator filings:

Docket Numbers: EG25-375-000.

Applicants: Big Cajun I Units I and II LLC.

Description: Big Cajun I Units I and II LLC submits Errata to the 07/01/2025 Notice of Self-Certification of Exempt Wholesale Generator Status.

Filed Date: 7/2/25.

Accession Number: 20250702-5111.

Comment Date: 5 p.m. ET 7/23/25.

Docket Numbers: EG25-376-000.

Applicants: Biscayne Falls SPV, LLC.

Description: Biscayne Falls SPV, LLC submits Notice of Self-Certification of Exempt Wholesale Generator Status.

Filed Date: 7/2/25.

Accession Number: 20250702-5146.

Comment Date: 5 p.m. ET 7/23/25.

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER10-2249-012.

Applicants: Portland General Electric Company.

Description: Updated Triennial Market Power Analysis for Northwest Region of Portland General Electric Company.

Filed Date: 6/30/25.

Accession Number: 20250630-5347.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER10-2818-014; ER10-2806-014.

Applicants: TransAlta Energy Marketing (U.S.) Inc., TransAlta Energy Marketing Corporation.

Description: Triennial Market Power Analysis for Southwest Region of TransAlta Energy Marketing Corporation, et al.

Filed Date: 6/30/25.

Accession Number: 20250630-5339.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER11-2508-029; ER19-1417-004; ER20-2047-003; ER21-568-002.

Applicants: Lanyard Power Holdings, LLC, Ormond Beach Power, LLC, GenOn Power Midwest, LP, GenOn Energy Management, LLC.

Description: Updated Triennial Market Power Analysis for Southwest Region of GenOn Energy Management, LLC, et al.

Filed Date: 6/30/25.

Accession Number: 20250630-5355.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER13-1069-024; ER10-1484-035; ER12-2381-021.

Applicants: MP2 Energy NE LLC, Shell Energy North America (US), L.P., MP2 Energy LLC.

Description: Updated Triennial Market Power Analysis for Southwest Region of MP2 Energy LLC, et al.

Filed Date: 6/30/25.

Accession Number: 20250630-5342.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER13-1865-007; ER13-1847-001.

Applicants: Watson Cogeneration Company, Tesoro Refining & Marketing Company LLC.

Description: Updated Triennial Market Power Analysis for Southwest Region of Tesoro Refining & Marketing Company LLC, et al.

Filed Date: 6/30/25.

Accession Number: 20250630-5350.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER16-2044-005.

Applicants: Elk Hills Power, LLC.

Description: Triennial Market Power Analysis for Southwest Region of Elk Hills Power, LLC.

Filed Date: 6/30/25.

Accession Number: 20250630–5341.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER18–1778–002.

Applicants: CFE International LLC.

Description: Updated Triennial Market Power Analysis for Southwest Region of CFE International LLC.

Filed Date: 6/30/25.

Accession Number: 20250630–5354.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER18–2511–010.

Applicants: NorthWestern Corporation.

Description: Triennial Market Power Analysis for Northwest Region of NorthWestern Corporation.

Filed Date: 6/30/25.

Accession Number: 20250630–5344.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER19–1217–006.

Applicants: Montana-Dakota Utilities Co.

Description: Supplement to 01/30/2025, Notice of Non-Material Change in Status of Montana-Dakota Utilities Co.

Filed Date: 6/30/25.

Accession Number: 20250630–5353.

Comment Date: 5 p.m. ET 7/21/25.

Docket Numbers: ER20–1604–004; ER10–2359–013.

Applicants: Sunrise Power Company, LLC, EF Oxnard LLC.

Description: Updated Triennial Market Power Analysis for Southwest Region of EF Oxnard LLC, et al.

Filed Date: 6/30/25.

Accession Number: 20250630–5335.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER20–2590–003.

Applicants: Basin Electric Power Cooperative.

Description: Triennial Market Power Analysis for Northwest Region of Basin Electric Power Cooperative.

Filed Date: 6/30/25.

Accession Number: 20250630–5338.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER22–2192–004; ER13–1816–025; ER14–1934–010; ER14–1935–010; ER15–1020–008; ER20–242–007; ER20–245–007; ER19–1109–001; ER24–1339–002; ER24–1340–002; ER24–1591–001; ER24–1593–002.

Applicants: Randolph Solar Park LLC, Flatland Storage LLC, EDPR Scarlet II BESS LLC, EDPR Scarlet I LLC, Windhub Solar A, LLC, Sun Streams, LLC, Sunshine Valley Solar, LLC, Rising Tree Wind Farm III LLC, Rising Tree Wind Farm II LLC, Rising Tree Wind Farm LLC, Sustaining Power Solutions LLC, EDPR Scarlet I LLC.

Description: Updated Triennial Market Power Analysis for Southwest Region of EDPR Scarlet I LLC, et al.

Filed Date: 6/30/25.

Accession Number: 20250630–5352.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER22–2230–001; ER10–2504–014; ER12–610–014; ER12–1931–013; ER13–1562–012; ER19–2260–002; ER22–2231–001; ER22–2232–001; ER22–2233–001; ER22–2234–001; ER22–2235–001; ER22–2236–001; ER24–2013–001; ER25–1299–001.

Applicants: Milagro Solar I, LLC, Desert Quartzite, LLC, Maverick Solar 4, LLC, Maverick Solar, LLC, Desert Harvest II LLC, Desert Harvest, LLC, Maverick Solar 7, LLC, Maverick Solar 6, LLC, Valentine Solar, LLC, Catalina Solar Lessee, LLC, Pacific Wind Lessee, LLC, Shiloh III Lessee, LLC, Shiloh Wind Project 2, LLC, BigBeau Solar, LLC.

Description: Triennial Market Power Analysis for Southwest Region of BigBeau Solar, LLC, et al.

Filed Date: 6/27/25.

Accession Number: 20250627–5314.

Comment Date: 5 p.m. ET 8/26/25.

Docket Numbers: ER24–773–003.

Applicants: Escalante Solar, LLC.

Description: Updated Triennial Market Power Analysis for Southwest Region of Escalante Solar, LLC.

Filed Date: 6/30/25.

Accession Number: 20250630–5346.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER24–2004–000; EL25–99–000.

Applicants: Deseret Generation & Transmission Co-operative, Inc., et al. v. PacifiCorp, PacifiCorp.

Description: Joint Formal Challenge and Complaint of Deseret Generation & Transmission Co-operative, Inc., Utah Associated Municipal Power Systems, and Utah Municipal Power Agency v. PacifiCorp.

Filed Date: 7/2/25.

Accession Number: 20250702–5096.

Comment Date: 5 p.m. ET 8/1/25.

Docket Numbers: ER24–2690–002.

Applicants: PJM Interconnection, L.L.C.

Description: Compliance filing: Compliance Filing to June 2, 2025 Order to be effective 6/2/2025.

Filed Date: 7/2/25.

Accession Number: 20250702–5115.

Comment Date: 5 p.m. ET 7/23/25.

Docket Numbers: ER25–1233–001; ER25–1234–001; ER25–1235–001; ER25–1237–001.

Applicants: Algonquin SKIC 20 Solar, LLC, Algonquin SKIC 10 Solar, LLC, Algonquin Power Sanger LLC, Algonquin Energy Services Inc.

Description: Updated Triennial Market Power Analysis for Southwest Region of Clearlight Energy Services LLC, et al.

Filed Date: 6/30/25.

Accession Number: 20250630–5340.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER25–2764–000.

Applicants: Big Deer Wind, LLC.

Description: Request for Limited and Prospective Waiver, et al. of Big Deer Wind, LLC.

Filed Date: 7/1/25.

Accession Number: 20250701–5387.

Comment Date: 5 p.m. ET 7/22/25.

Docket Numbers: ER25–2768–000.

Applicants: Public Service Company of Oklahoma.

Description: 205(d) Rate Filing: Notice of Succession and Request for Extension of Time to be effective 6/5/2025.

Filed Date: 7/2/25.

Accession Number: 20250702–5089.

Comment Date: 5 p.m. ET 7/23/25.

Docket Numbers: ER25–2769–000.

Applicants: NorthWestern Corporation.

Description: 205(d) Rate Filing: RS 339—Cert of Concurrence PSE Dynamic Transfer BA to be effective 7/1/2025.

Filed Date: 7/2/25.

Accession Number: 20250702–5093.

Comment Date: 5 p.m. ET 7/23/25.

Docket Numbers: ER25–2770–000.

Applicants: Evergreen Gas & Electric, LLC.

Description: Initial Rate Filing: Application for Market-Based Rate Authorization to be effective 8/31/2025.

Filed Date: 7/2/25.

Accession Number: 20250702–5100.

Comment Date: 5 p.m. ET 7/23/25.

Docket Numbers: ER25–2771–000.

Applicants: Consumers Energy Company.

Description: Tariff Amendment: Notice of Termination—Blackstart SAs and RS for Blackstart Service to be effective 9/1/2025.

Filed Date: 7/2/25.

Accession Number: 20250702–5101.

Comment Date: 5 p.m. ET 7/23/25.

Docket Numbers: ER25–2772–000.

Applicants: Oak Solar, LLC.

Description: 205(d) Rate Filing: Amended Co-Tenancy and SFA 2025 to be effective 7/3/2025.

Filed Date: 7/2/25.

Accession Number: 20250702–5103.

Comment Date: 5 p.m. ET 7/23/25.

Docket Numbers: ER25–2773–000.

Applicants: Alabama Power Company, Georgia Power Company, Mississippi Power Company.

Description: 205(d) Rate Filing: Alabama Power Company submits tariff filing per 35.13(a)(2)(iii): Attachment S (MPCo) 2025 Updated Depreciation Rates Filing to be effective 1/1/2025.

Filed Date: 7/2/25.

Accession Number: 20250702–5105.

Comment Date: 5 p.m. ET 7/23/25.

Docket Numbers: ER25–2774–000.

Applicants: Dominion Energy South Carolina, Inc.

Description: Compliance filing: Compliance Filing-new docket to be effective 2/27/2026.

Filed Date: 7/2/25.

Accession Number: 20250702–5108.

Comment Date: 5 p.m. ET 7/23/25.

Docket Numbers: ER25–2775–000.

Applicants: Oak Lessee, LLC.

Description: Initial Rate Filing: Certificate of Concurrence Oak Solar to be effective 7/3/2025.

Filed Date: 7/2/25.

Accession Number: 20250702–5113.

Comment Date: 5 p.m. ET 7/23/25.

Docket Numbers: ER25–2776–000.

Applicants: Biscayne Falls SPV, LLC.

Description: Initial Rate Filing:

Application for Market Based Rate Authority to be effective 9/2/2025.

Filed Date: 7/2/25.

Accession Number: 20250702–5129.

Comment Date: 5 p.m. ET 7/23/25.

Docket Numbers: ER25–2777–000.

Applicants: Southwest Power Pool, Inc.

Description: 205(d) Rate Filing: 1636R33 Kansas Electric Power Cooperative, Inc. NITSA and NOA to be effective 9/1/2025.

Filed Date: 7/2/25.

Accession Number: 20250702–5147.

Comment Date: 5 p.m. ET 7/23/25.

Docket Numbers: ER25–2778–000.

Applicants: Tri-State Generation and Transmission Association, Inc.

Description: 205(d) Rate Filing: Amendment to Rate Schedule FERC No. 394 to be effective 9/1/2025.

Filed Date: 7/2/25.

Accession Number: 20250702–5151.

Comment Date: 5 p.m. ET 7/23/25.

The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.

Any person desiring to intervene, to protest, or to answer a complaint in any of the above proceedings must file in accordance with Rules 211, 214, or 206 of the Commission's Regulations (18 CFR 385.211, 385.214, or 385.206) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

The Commission's Office of Public Participation (OPP) supports meaningful public engagement and participation in Commission proceedings. OPP can help members of the public, including landowners, community organization, Tribal members and others, access publicly available information and navigate Commission processes. For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, the public is encouraged to contact OPP at (202) 502–6595 or OPP@ferc.gov.

Dated: July 2, 2025.

Debbie-Anne A. Reese,

Secretary.

[FR Doc. 2025–12650 Filed 7–7–25; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Notice of Effectiveness of Exempt Wholesale Generator Status

	Docket Nos.
Ninnescah Flats Solar, LLC	EG25–274–000.
Blevins Storage, LLC	EG25–275–000.
Blevins Solar LLC	EG25–276–000.
Cross Trails Energy Storage Project, LLC.	EG25–277–000.
Swift Air Solar II, LLC	EG25–278–000.
Swift Air Solar III, LLC	EG25–279–000.
White Tail Solar, LLC	EG25–280–000.
Hermes BESS LLC	EG25–281–000.
Shelby Onsite Generation, LLC.	EG25–282–000.
TES MAS23 Energy Storage, LLC.	EG25–283–000.
Pine Forest Solar I, LLC	EG25–284–000.
Pine Forest Hybrid I, LLC ..	EG25–285–000.
Brazoria Solar I, LLC	EG25–286–000.
Pitt Solar, LLC	EG25–287–000.
Clinton Solar LLC	EG25–288–000.
BDPU Solar Tormes LLC ..	EG25–289–000.
Stillhouse Solar LLC	EG25–290–000.
Great Bend Solar, LLC	EG25–292–000.
ER Nava Storage, LLC	EG25–293–000.
ER South Street Storage, LLC.	EG25–294–000.
Enbridge Solar (Sequoia I), LLC.	EG25–295–000.
SMT Dallas LLC	EG25–296–000.
SMT Dallas III LLC	EG25–297–000.
SMT Dallas VII LLC	EG25–298–000.
SMT Houston V LLC	EG25–299–000.
SMT Houston VII LLC	EG25–300–000.
SMT Houston XIV LLC	EG25–301–000.
Bypass BESS LLC	EG25–302–000.
Shallow Basket Energy, LLC.	EG25–303–000.
Mountain Peak Power, LLC	EG25–304–000.
Shallow Basket Energy, LLC.	EG25–305–000.
Oak Hill Solar LLC	EG25–306–000.
AE–ESS Holyoke, LLC	EG25–307–000.
Cascade BESS LLC	EG25–308–000.

	Docket Nos.
Sierra BESS LLC	EG25–309–000.

Take notice that during the month of June 2025, the status of the above-captioned entities as Exempt Wholesale Generators became effective by operation of the Commission's regulations. 18 CFR 366.7(a) (2024).

Dated: July 2, 2025.

Debbie-Anne A. Reese,

Secretary.

[FR Doc. 2025–12649 Filed 7–7–25; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP25–379–000]

Texas Eastern Transmission, LP; Notice of Schedule for the Preparation of an Environmental Assessment for the Longwall Mining Panel M1 Project

On April 30, 2025, Texas Eastern Transmission, LP (Texas Eastern) filed an application in Docket No. CP25–379–000 requesting a Certificate of Public Convenience and Necessity pursuant to Section 7(c) of the Natural Gas Act to excavate, elevate, replace, reroute, construct, and operate certain natural gas pipeline facilities. The proposed project is known as the Longwall Mining Panel M1 Project (Project) and would allow for the safe and efficient operation of Texas Eastern's natural gas transportation system in Greene County, Pennsylvania during sub-surface longwall mining activities.

On May 14, 2025, the Federal Energy Regulatory Commission (Commission or FERC) issued its Notice of Application for the Project. Among other things, that notice alerted agencies issuing federal authorizations of the requirement to complete all necessary reviews and to reach a final decision on a request for a federal authorization within 90 days of the date of issuance of the Commission staff's environmental document for the Project.

This notice identifies Commission staff's intention to prepare an environmental assessment (EA) for the Project and the planned schedule for the completion of the environmental review.¹ The EA will be issued for a 30-day comment period.

¹ For tracking purposes under the National Environmental Policy Act, the unique identification number for documents relating to this environmental review is EA–019–20–000–1748513599.

Schedule for Environmental Review

Issuance of EA October 10, 2025
90-day Federal Authorization Decision
Deadline² January 8, 2026

If a schedule change becomes necessary, additional notice will be provided so that the relevant agencies are kept informed of the Project's progress.

Project Description

Texas Eastern proposes to excavate, elevate, replace, and reroute segments of its existing pipelines ranging in length between approximately 4,000 feet and 8,500 feet in Greene County, Richhill and Center Townships, Pennsylvania. Texas Eastern would also abandon by removal two segments of non-operational pipeline. Upon completion of the sub-surface mining activities, Texas Eastern would return two of the four pipelines to their original locations and easements. One pipeline would be partially rerouted into a new easement, and another would be rerouted into the existing easement of an abandoned pipeline just north of its original location. Texas Eastern anticipates these activities would occur between 2026 and 2028.

Background

On May 30, 2025, the Commission issued a *Notice of Scoping Period Requesting Comments on Environmental Issues for the Proposed Longwall Mining Panel M1 Project and Notice of Public Scoping Session* (Notice of Scoping). The Notice of Scoping was sent to affected landowners; federal, state, and local government agencies; elected officials; environmental and public interest groups; Native American tribes; other interested parties; and local libraries and newspapers. In response to the Notice of Scoping, the Commission received comments from the United States Environmental Protection Agency. The primary issue raised by the commenter is to address the environmental effects that potential subsidence, from longwall mining, would have on nearby water resources. All substantive comments will be addressed in the EA.

Additional Information

In order to receive notification of the issuance of the EA and to keep track of

formal issuances and submittals in specific dockets, the Commission offers a free service called eSubscription. This service provides automatic notification of filings made to subscribed dockets, document summaries, and direct links to the documents. Go to <https://www.ferc.gov/ferc-online/overview> to register for eSubscription.

The Commission's Office of Public Participation (OPP) supports meaningful public engagement and participation in Commission proceedings. OPP can help members of the public, including landowners, community organizations, Tribal members and others, access publicly available information and navigate Commission processes. For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, the public is encouraged to contact OPP at (202) 502-6595 or OPP@ferc.gov.

Additional information about the Project is available from the Commission's Office of External Affairs at (866) 208-FERC or on the FERC website (www.ferc.gov). Using the "eLibrary" link, select "General Search" from the eLibrary menu, enter the selected date range and "Docket Number" excluding the last three digits (i.e., CP25-379), and follow the instructions. For assistance with access to eLibrary, the helpline can be reached at (866) 208-3676, TTY (202) 502-8659, or at FERCOnlineSupport@ferc.gov. The eLibrary link on the FERC website also provides access to the texts of formal documents issued by the Commission, such as orders, notices, and rule makings.

Dated: July 2, 2025.

Debbie-Anne A. Reese,
Secretary.

[FR Doc. 2025-12655 Filed 7-7-25; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY**Federal Energy Regulatory Commission****Combined Notice of Filings**

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

Filings Instituting Proceedings

Docket Numbers: RP25-997-000.
Applicants: Texas Gas Transmission, LLC.

Description: 4(d) Rate Filing: Remove Expired Agreements eff 7-1-2025 to be effective 7/1/2025.

Filed Date: 7/1/25.

Accession Number: 20250701-5258.

Comment Date: 5 p.m. ET 7/14/25.

Docket Numbers: RP25-998-000.

Applicants: Gillis Hub Pipeline, LLC.
Description: 4(d) Rate Filing: Filing of Negotiated Rate, Conforming IW Agreements 7.1.25 to be effective 7/1/2025.

Filed Date: 7/1/25.

Accession Number: 20250701-5302.

Comment Date: 5 p.m. ET 7/14/25.

Docket Numbers: RP25-999-000.

Applicants: Equitrans, L.P.
Description: 4(d) Rate Filing: Negotiated Rate Capacity Release Agreements—07/01/2025 to be effective 7/1/2025.

Filed Date: 7/1/25.

Accession Number: 20250701-5303.

Comment Date: 5 p.m. ET 7/14/25.

Docket Numbers: RP25-1000-000.

Applicants: Mountain Valley Pipeline, LLC.

Description: 4(d) Rate Filing: Negotiated Rate Capacity Release Agreements—07/01/2025 to be effective 7/1/2025.

Filed Date: 7/1/25.

Accession Number: 20250701-5305.

Comment Date: 5 p.m. ET 7/14/25.

Docket Numbers: RP25-1001-000.

Applicants: Gulf South Pipeline Company, LLC.

Description: 4(d) Rate Filing: Amendment to Non-Conforming Neg Rate Agmt (Uniper 46406) to be effective 7/1/2025.

Filed Date: 7/1/25.

Accession Number: 20250701-5337.

Comment Date: 5 p.m. ET 7/14/25.

Docket Numbers: RP25-1002-000.

Applicants: Carlsbad Gateway, LLC.

Description: Compliance filing: Carlsbad Gateway Cost and Revenue Study Filing to be effective N/A.

Filed Date: 7/2/25.

Accession Number: 20250702-5000.

Comment Date: 5 p.m. ET 7/14/25.

Any person desiring to intervene, to protest, or to answer a complaint in any of the above proceedings must file in accordance with Rules 211, 214, or 206 of the Commission's Regulations (18 CFR 385.211, 385.214, or 385.206) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

The filings are accessible in the Commission's eLibrary system (<https://elibrary.ferc.gov/idmws/search/fercensearch.asp>) by querying the docket number.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings

² The Commission's deadline applies to the decisions of other federal agencies, and state agencies acting under federally delegated authority, that are responsible for federal authorizations, permits, and other approvals necessary for proposed projects under the Natural Gas Act. Per 18 CFR 157.22(a), the Commission's deadline for other agency's decisions applies unless a schedule is otherwise established by federal law.

can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

The Commission's Office of Public Participation (OPP) supports meaningful public engagement and participation in Commission proceedings. OPP can help members of the public, including landowners, community organization, Tribal members and others, access publicly available information and navigate Commission processes. For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, the public is encouraged to contact OPP at (202) 502-6595 or OPP@ferc.gov.

Dated: July 2, 2025.

Debbie-Anne A. Reese,
Secretary.

[FR Doc. 2025-12651 Filed 7-7-25; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 2246-102]

Yuba County Water Agency; Notice of Application for Non-Capacity License Amendment Accepted for Filing and Soliciting Comments, Motions To Intervene, and Protests

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

a. *Application Type:* Non-Capacity Amendment.

b. *Project No:* P-2246-102.

c. *Date Filed:* January 31, 2025.

d. *Applicant:* Yuba County Water Agency.

e. *Name of Project:* Yuba River Hydroelectric Project.

f. *Location:* The project is located on the Yuba River and its tributaries, North Yuba River, Middle Yuba River, and Oregon Creek in the counties of Yuba, Nevada, and Sierra, California, and affecting lands of the United States within Plumas and Tahoe National Forests.

g. *Filed Pursuant to:* Federal Power Act, 16 U.S.C. 791a-825r.

h. *Applicant Contact:* Willie Whittlesey, General Manager, Yuba County Water Agency, 1220 F Street, Marysville, California 95901, wwhittlesey@yubawater.org, (530) 741-5000.

i. *FERC Contact:* Zeena Aljibury, (202) 502-6065, zeena.aljibury@ferc.gov.

j. *Cooperating agencies:* With this notice, the Commission is inviting

federal, state, local, and Tribal agencies with jurisdiction and/or special expertise with respect to environmental issues affected by the proposal, that wish to cooperate in the preparation of any environmental document, if applicable, to follow the instructions for filing such requests described in item 1 below. Cooperating agencies should note the Commission's policy that agencies that cooperate in the preparation of any environmental document cannot also intervene. See 94 FERC ¶ 61,076 (2001).

k. *Water Quality Certification:* A water quality certificate under section 401 of the Clean Water Act is required for this proposal from the California State Water Resources Control Board (California SWRCB). The applicant must file no later than 60 days following the date of issuance of this notice either: (1) a copy of the request for water quality certification submitted to the California SWRCB; or (2) a copy of the water quality certification or evidence of waiver of water quality certification.

l. Deadline for filing comments, motions to intervene, and protests is August 1, 2025.

The Commission strongly encourages electronic filing. Please file motions to intervene, protests, comments, or recommendations using the Commission's eFiling system at <http://www.ferc.gov/docs-filing/efiling.asp>. Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at <http://www.ferc.gov/docs-filing/ecomment.asp>. You must include your name and contact information at the end of your comments. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov, (866) 208-3676 (toll free), or (202) 502-8659 (TTY). In lieu of electronic filing, you may submit a paper copy. Submissions sent via the U.S. Postal Service must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Room 1A, Washington, DC 20426. Submissions sent via any other carrier must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, Maryland 20852. The first page of any filing should include the docket number P-2246-102. Comments emailed to Commission staff are not considered part of the Commission record.

The Commission's Rules of Practice and Procedure require all intervenors filing documents with the Commission to serve a copy of that document on each person whose name appears on the official service list for the project.

Further, if an intervenor files comments or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

m. *Description of Request:* The applicant requests a license amendment to add an Atmospheric River Control Secondary Spillway (ARC Spillway) at the Project's New Bullards Bar Dam. The purpose of the ARC Spillway is to support flood management operations along the Yuba and Feather rivers consistent with U.S. Army Corps of Engineers (Corps) Flood Control Regulations, and to enhance dam safety at the project. The proposed ARC Spillway would be located south of the New Bullards Bar Dam existing spillway in the upper left abutment area of the dam. The proposed ARC Spillway would include: (1) a new excavated approach channel to the intake structure; (2) a new reinforced-concrete intake control structure at the end of the approach channel containing intake gates and wire rope hoists and a new Gate Control Building adjacent to the intake structure; (3) a new spillway chute and discharge canal; (4) a new concrete outlet structure that would consist of a portal headwall to stabilize the excavated face at the tunnel terminal point and a new flip bucket style outlet structure; and (5) new appurtenant facilities and features. The applicant would enlarge the project boundary by approximately 13.1 acres to encompass new or improved access roads to the spillway. The proposed ARC Spillway would have a discharge capacity of approximately 33,500 cubic feet per second (cfs) compared to the existing capacity of 19,000 cfs. The proposed ARC Spillway would allow for the earlier release of flood flows in advance of major storms, which would reduce water levels on flood levees near Marysville, California by up to 2.5 feet in a 1997-type storm event. The proposed ARC Spillway would also provide additional redundancy to release water from New Bullards Bar Reservoir during storm events if the dam's existing spillway becomes inoperable. This proposed work was originally filed under the relicensing application for the Project (still pending) and a Final Environmental Impact Statement (FEIS) was issued on January 2, 2019, which analyzed, in part, the effects of the proposed ARC Spillway (referred to as the auxiliary flood control outlet in the FEIS).

n. *Locations of the Application:* This filing may also be viewed on the Commission's website at <http://>

www.ferc.gov using the “eLibrary” link. Enter the docket number excluding the last three digits in the docket number field to access the document. You may also register online at <http://www.ferc.gov/docs-filing/esubscription.asp> to be notified via email of new filings and issuances related to this or other pending projects. For assistance, call 1–866–208–3676 or email FEROnlineSupport@ferc.gov, for TTY, call (202) 502–8659. Agencies may obtain copies of the application directly from the applicant.

o. Individuals desiring to be included on the Commission’s mailing list should so indicate by writing to the Secretary of the Commission.

p. *Comments, Protests, or Motions to Intervene*: Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, .214, respectively. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission’s Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

q. *Filing and Service of Documents*: Any filing must (1) bear in all capital letters the title “COMMENTS”, “PROTEST”, or “MOTION TO INTERVENE” as applicable; (2) set forth in the heading the name of the applicant and the project number of the application to which the filing responds; (3) furnish the name, address, and telephone number of the person commenting, protesting or intervening; and (4) otherwise comply with the requirements of 18 CFR 385.2001 through 385.2005. All comments, motions to intervene, or protests must set forth their evidentiary basis. Any filing made by an intervenor must be accompanied by proof of service on all persons listed in the service list prepared by the Commission in this proceeding, in accordance with 18 CFR 385.2010.

r. The Commission’s Office of Public Participation (OPP) supports meaningful public engagement and participation in Commission proceedings. OPP can help members of the public, including landowners, community organizations, Tribal members, and others access publicly available information and navigate Commission processes. For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, the

public is encouraged to contact OPP at (202) 502–6595 or OPP@ferc.gov.

Dated: July 2, 2025.

Debbie-Anne A. Reese,

Secretary.

[FR Doc. 2025–12652 Filed 7–7–25; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 10934–035]

Sugar River Hydro II, LLC; Notice of Application for Surrender of License Accepted for Filing, Soliciting Comments, Motions To Intervene, and Protests

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

a. *Application Type*: Surrender of License.

b. *Project No*: 10934–035.

c. *Date Filed*: June 22, 2023, and supplemented on January 24, 2024, and June 20, 2025.

d. *Applicant*: Sugar River Hydro II, LLC.

e. *Name of Project*: Sugar River II Hydroelectric Project.

f. *Location*: The project is located on the Sugar River in Sullivan County, New Hampshire. The project does not occupy Federal lands.

g. *Filed Pursuant to*: Federal Power Act, 16 U.S.C. 791a–825r.

h. *Applicant Contact*: Sugar River Hydro II, LLC, c/o Ronald K DeCola, Managing Partner, 169 Sunapee Street, LLC, Managing Partner, 300 River Road, Suite 110, Manchester, NH 03104; Phone: (603) 289–2738; Email: rkdecola@gmail.com.

i. *FERC Contact*: Aneela Mousam, (202) 502–8357, aneela.mousam@ferc.gov.

j. *Cooperating agencies*: With this notice, the Commission is inviting federal, state, local, and Tribal agencies with jurisdiction and/or special expertise with respect to environmental issues affected by the proposal, that wish to cooperate in the preparation of any environmental document, if applicable, to follow the instructions for filing such requests described in item k below. Cooperating agencies should note the Commission’s policy that agencies that cooperate in the preparation of any environmental document cannot also intervene. See 94 FERC ¶ 61,076 (2001).

k. *Deadline for filing comments, motions to intervene, and protests*: August 1, 2025.

The Commission strongly encourages electronic filing. Please file comments, motions to intervene, and protests using the Commission’s eFiling system at <http://www.ferc.gov/docs-filing/efiling.asp>. Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at <http://www.ferc.gov/docs-filing/ecomment.asp>. For assistance, please contact FERC Online Support at FEROnlineSupport@ferc.gov, (866) 208–3676 (toll free), or (202) 502–8659 (TTY). In lieu of electronic filing, you may submit a paper copy. Submissions sent via the U.S. Postal Service must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Room 1A, Washington, DC 20426. Submissions sent via any other carrier must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852. The first page of any filing should include the docket number P–10934–035. Comments emailed to Commission staff are not considered part of the Commission record.

The Commission’s Rules of Practice and Procedure require all intervenors filing documents with the Commission to serve a copy of that document on each person whose name appears on the official service list for the project. Further, if an intervenor files comments or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

l. *Description of Request*: The license for the Sugar River II Hydroelectric Project expired on April 30, 2021, with no subsequent application filed by Sugar River Hydro II, LLC (licensee). Therefore, the licensee proposes to surrender its license. The licensee proposes to disconnect all generator leads, remove all transformers and other project electrical equipment, remove all hydraulic and governor fluids and reservoirs, remove project related operating equipment and monitors, such as impoundment sensors, from the dam, and secure the powerhouse. Additionally, the licensee plans to close the penstock at its intake, and intends to work with the U.S. Fish and Wildlife Service and the New Hampshire Department of Environmental Services Dam Bureau to develop the formal penstock closure plan. The dam and its

gates would remain in place, including the emergency backup system with a dedicated generator. The licensee does not anticipate any new ground disturbance activity while securing the powerhouse, and closing the penstock intake.

m. *Locations of the Application:* This filing may be viewed on the Commission's website at <http://www.ferc.gov> using the "eLibrary" link. Enter the docket number excluding the last three digits in the docket number field to access the document. You may also register online at <http://www.ferc.gov/docs-filing/esubscription.asp> to be notified via email of new filings and issuances related to this or other pending projects. For assistance, call 1-866-208-3676 or email FERCOnlineSupport@ferc.gov, for TTY, call (202) 502-8659. Agencies may obtain copies of the application directly from the applicant.

n. Individuals desiring to be included on the Commission's mailing list should so indicate by writing to the Secretary of the Commission.

o. *Comments, Protests, or Motions to Intervene:* Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, .214, respectively. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

p. *Filing and Service of Documents:* Any filing must (1) bear in all capital letters the title "COMMENTS", "PROTEST", or "MOTION TO INTERVENE" as applicable; (2) set forth in the heading the name of the applicant and the project number of the application to which the filing responds; (3) furnish the name, address, and telephone number of the person commenting, protesting or intervening; and (4) otherwise comply with the requirements of 18 CFR 385.2001 through 385.2005. All comments, motions to intervene, or protests must set forth their evidentiary basis. Any filing made by an intervenor must be accompanied by proof of service on all persons listed in the service list prepared by the Commission in this proceeding, in accordance with 18 CFR 385.2010.

q. The Commission's Office of Public Participation (OPP) supports meaningful

public engagement and participation in Commission proceedings. OPP can help members of the public, including landowners, community organizations, Tribal members, and others access publicly available information and navigate Commission processes. For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, the public is encouraged to contact OPP at (202) 502-6595 or OPP@ferc.gov.

Dated: July 2, 2025.

Debbie-Anne A. Reese,
Secretary.

[FR Doc. 2025-12654 Filed 7-7-25; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. DI24-10-000]

Craig Pilon; Notice of Declaration of Intention and Soliciting Comments, Protests, and Motions To Intervene

Take notice that the following application has been filed with the Commission and is available for public inspection:

- a. *Application Type:* Declaration of Intention.
- b. *Docket No:* DI24-10-000.
- c. *Date Filed:* September 9, 2024.
- d. *Applicant:* Craig Pilon.
- e. *Name of Project:* Pilon Residence Micro-Hydro Project.
- f. *Location:* The proposed Pilon Residence Micro-Hydro Project would be located in the town of Easton, in Grafton County, New Hampshire.
- g. *Filed Pursuant to:* Section 23(b)(1) of the Federal Power Act, 16 U.S.C. 817(b).
- h. *Applicant Contact:* Craig Pilon, 300 Slide Brook Road, Easton, NH 03580; telephone: (978) 987-8603; email: c.pilon@comcast.net.
- i. *FERC Contact:* Maryam Akhavan, (202) 502-6110, or Maryam.Akhavan@ferc.gov.
- j. *Deadline for filing comments, protests, and motions to intervene is:* August 1, 2025.

The Commission strongly encourages electronic filing. Please file comments, protests, and motions to intervene using the Commission's eFiling system at <http://www.ferc.gov/docs-filing/efiling.asp>. Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at <http://www.ferc.gov/docs-filing/ecomment.asp>. You must include your

name and contact information at the end of your comments. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov, (866) 208-3676 (toll free), or (202) 502-8659 (TTY). In lieu of electronic filing, you may submit a paper copy. Submissions sent via the U.S. Postal Service must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Room 1A, Washington, DC 20426. Submissions sent via any other carrier must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, Maryland 20852. The first page of any filing should include docket number DI24-10-000. Comments emailed to Commission staff are not considered part of the Commission record.

k. *Description of Project:* The proposed Pilon Residence Micro-Hydro Project would consist of: (1) a filter intake box; (2) a Pelton turbine; (3) an approximately 250-foot-long, 2-inch-diameter penstock; (4) an approximately 200-foot-long transmission line to a private residence; and (5) appurtenant facilities.

When a Declaration of Intention is filed with the Federal Energy Regulatory Commission, the Federal Power Act requires the Commission to investigate and determine if the project would affect the interests of interstate or foreign commerce. The Commission also determines whether or not the project: (1) would be located on a navigable waterway; (2) would occupy public lands or reservations of the United States; (3) would utilize surplus water or water power from a government dam; or (4) would be located on a non-navigable stream over which Congress has Commerce Clause jurisdiction and would be constructed or enlarged after 1935.

l. *Locations of the Application:* This filing may be viewed on the Commission's website at <http://www.ferc.gov/docs-filing/elibrary.asp>. Enter the docket number excluding the last three digits in the docket number field to access the document. You may also register online at <http://www.ferc.gov/docs-filing/esubscription.asp> to be notified via email of new filings and issuances related to this or other pending projects. For assistance, call 1-866-208-3676 or email FERCOnlineSupport@ferc.gov, for TTY, call (202) 502-8659.

m. Individuals desiring to be included on the Commission's mailing list should so indicate by writing to the Secretary of the Commission.

n. *Comments, Protests, or Motions to Intervene:* Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, and .214. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

o. *Filing and Service of Responsive Documents:* All filings must bear in all capital letters the title "COMMENTS", "PROTESTS", and "MOTIONS TO INTERVENE", as applicable, and the Docket Number of the particular application to which the filing refers. A copy of any Motion to Intervene must also be served upon each representative of the Applicant specified in the particular application.

p. *Agency Comments:* Federal, state, and local agencies are invited to file comments on the described application. A copy of the application may be obtained by agencies directly from the Applicant. If an agency does not file comments within the time specified for filing comments, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

Dated: July 2, 2025.

Debbie-Anne A. Reese,
Secretary.

[FR Doc. 2025-12648 Filed 7-7-25; 8:45 am]

BILLING CODE 6717-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #1

Take notice that the Commission received the following exempt wholesale generator filings:

Docket Numbers: EG25-374-000.

Applicants: Emily Solar, LLC.

Description: Emily Solar, LLC submits Notice of Self-Certification of Exempt Wholesale Generator Status.

Filed Date: 7/1/25.

Accession Number: 20250701-5259.

Comment Date: 5 p.m. ET 7/22/25.

Docket Numbers: EG25-375-000.

Applicants: Big Cajun I Units I and II LLC.

Description: Big Cajun I Units I and II LLC submits Notice of Self-Certification of Exempt Wholesale Generator Status.

Filed Date: 7/1/25.

Accession Number: 20250701-5291.

Comment Date: 5 p.m. ET 7/22/25.

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER10-2354-018.

Applicants: Midway-Sunset Cogeneration Company.

Description: Updated Triennial Market Power Analysis for Southwest Region of Midway-Sunset Cogeneration Company.

Filed Date: 6/27/25.

Accession Number: 20250627-5315.

Comment Date: 5 p.m. ET 8/26/25.

Docket Numbers: ER12-21-030; ER10-2381-017; ER11-2206-018; ER11-2207-018; ER11-2209-018; ER11-2210-018; ER11-2211-018; ER11-2855-032; ER11-2856-032; ER11-2857-032; ER11-3727-024; ER12-1711-024; ER13-1150-016; ER13-1151-016; ER17-1217-007; ER18-814-009; ER18-2033-005; ER19-672-009; ER19-843-009; ER19-844-005; ER19-1061-009; ER19-1062-005; ER19-1063-009; ER19-1200-014; ER20-486-009; ER21-963-006; ER23-175-006; ER23-1577-004; ER23-2403-003; ER23-2406-003; ER25-823-002; ER25-1220-002; ER16-1403-002; ER23-200-001; ER25-1316-001; ER25-2043-001.

Applicants: Shallow Basket Energy, LLC, Luna Valley Solar I, LLC, Daggett Solar Power 1 LLC, Golden Fields Solar IV, LLC, Golden Fields Solar IV Bess LLC, Painter Energy Storage, LLC, Arica Solar, LLC, Victory Pass I, LLC, Daggett Solar Power 2 LLC, Daggett Solar Power 3 LLC, Silverstrand Grid, LLC, Golden Fields Solar III, LLC, Clearway Power Marketing LLC, Solar Borrego I LLC, Solar Avra Valley LLC, Solar Alpine LLC, Solar Roadrunner LLC, Solar Blythe LLC, Marsh Landing LLC, Saavi Energy Solutions, LLC, Carlsbad Energy Center LLC, Total Gas & Power North America, Inc., Alta Wind XI, LLC, Alta Wind X, LLC, High Plains Ranch II, LLC, El Segundo Energy Center LLC, Sun City Project LLC, Sand Drag LLC, Avenal Park LLC, Alta Wind I, LLC, Alta Wind III, LLC, Alta Wind II, LLC, Alta Wind IV, LLC, Alta Wind V, LLC, Walnut Creek Energy, LLC, Agua Caliente Solar, LLC.

Description: Updated Triennial Market Power Analysis for Southwest Region of Agua Caliente Solar, LLC, et al. under ER12-21, et al.

Filed Date: 6/27/25.

Accession Number: 20250627-5317.

Comment Date: 5 p.m. ET 8/26/25.

Docket Numbers: ER17-1329-006.

Applicants: J.P. Morgan Ventures Energy Corporation.

Description: Updated Triennial Market Power Analysis for Southwest Region of J.P. Morgan Ventures Energy Corporation.

Filed Date: 6/30/25.

Accession Number: 20250630-5332.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER23-2066-004; ER10-2528-008; ER10-2529-010; ER10-2534-011; ER22-1065-006; ER22-2622-005; ER23-1595-005; ER24-1336-003; ER24-2937-001; ER24-2938-001.

Applicants: Sierra Pinta Energy Storage, LLC, Elisabeth Solar, LLC, White Wing Ranch North, LLC, LRE Energy Services, LLC, Chaparral Springs, LLC, Rabbitbrush Solar, LLC, Kumeyaay Wind LLC, Buena Vista Energy, LLC, Aragonne Wind LLC, Antelope Valley BESS, LLC.

Description: Updated Triennial Market Power Analysis for Southwest Region and Notice of Non-Material Change in Status of Antelope Valley BESS, LLC., et al.

Filed Date: 6/30/25.

Accession Number: 20250630-5337.

Comment Date: 5 p.m. ET 8/29/25.

Docket Numbers: ER25-2751-000.

Applicants: American Transmission Company LLC.

Description: 205(d) Rate Filing: Development & Joint Coordination Agreement with NSPW to be effective 6/2/2025.

Filed Date: 7/1/25.

Accession Number: 20250701-5280.

Comment Date: 5 p.m. ET 7/22/25.

Docket Numbers: ER25-2752-000.

Applicants: Southwest Power Pool, Inc.

Description: 205(d) Rate Filing: 3351R7 Big Rivers NITSA NOA to be effective 6/1/2025.

Filed Date: 7/1/25.

Accession Number: 20250701-5283.

Comment Date: 5 p.m. ET 7/22/25.

Docket Numbers: ER25-2753-000.

Applicants: Southwest Power Pool, Inc.

Description: 205(d) Rate Filing: Revisions to Expand the Dispatchable Transaction Model into the RTBM to be effective 12/31/9998.

Filed Date: 7/1/25.

Accession Number: 20250701-5287.

Comment Date: 5 p.m. ET 7/22/25.

Docket Numbers: ER25-2754-000.

Applicants: Southwest Power Pool, Inc.

Description: 205(d) Rate Filing: East River Electric Power Cooperative Formula Rate Revisions to be effective 1/1/2025.

Filed Date: 7/1/25.
Accession Number: 20250701–5290.
Comment Date: 5 p.m. ET 7/22/25.
Docket Numbers: ER25–2755–000.
Applicants: Research Power Corporation.
Description: 205(d) Rate Filing: Notice of Succession to be effective 7/2/2025.
Filed Date: 7/1/25.
Accession Number: 20250701–5312.
Comment Date: 5 p.m. ET 7/22/25.
Docket Numbers: ER25–2756–000.
Applicants: PJM Interconnection, L.L.C.
Description: Tariff Amendment: Notice of Cancellation of ISA & CSA, SA Nos. 6917 & 6918; Queue No. AD1–031 to be effective 8/1/2025.
Filed Date: 7/1/25.
Accession Number: 20250701–5327.
Comment Date: 5 p.m. ET 7/22/25.
Docket Numbers: ER25–2757–000.
Applicants: Buchanan Generation, LLC.
Description: Tariff Amendment: Notice of Cancellation of Reactive Service Rate Schedule and Requests for Waiver to be effective 7/2/2025.
Filed Date: 7/1/25.
Accession Number: 20250701–5347.
Comment Date: 5 p.m. ET 7/22/25.
Docket Numbers: ER25–2758–000.
Applicants: Southwest Power Pool, Inc.
Description: 205(d) Rate Filing: 1630R13 The Empire District Electric Company NITSA and NOA to be effective 6/1/2025.
Filed Date: 7/1/25.
Accession Number: 20250701–5349.
Comment Date: 5 p.m. ET 7/22/25.
Docket Numbers: ER25–2759–000.
Applicants: Copper Mountain Solar 4, LLC.
Description: 205(d) Rate Filing: Southwest Triennial MBR Update to be effective 7/2/2025.
Filed Date: 7/1/25.
Accession Number: 20250701–5355.
Comment Date: 5 p.m. ET 7/22/25.
Docket Numbers: ER25–2760–000.
Applicants: H.A. Wagner LLC.
Description: 205(d) Rate Filing: Proposed Revisions to Reactive Service Rate Schedule and Requests for Waiver to be effective 6/1/2025.
Filed Date: 7/1/25.
Accession Number: 20250701–5368.
Comment Date: 5 p.m. ET 7/22/25.
Docket Numbers: ER25–2761–000.
Applicants: Power Authority of the State of New York, New York Independent System Operator, Inc.
Description: 205(d) Rate Filing: New York Independent System Operator, Inc. submits tariff filing per 35.13(a)(2)(iii): NYISO–NYPA 205: Amended LGIA

Excelsior Energy SA2689 (CEII) to be effective 6/17/2025.
Filed Date: 7/2/25.
Accession Number: 20250702–5030.
Comment Date: 5 p.m. ET 7/23/25.
Docket Numbers: ER25–2762–000.
Applicants: ISO New England Inc., Vermont Transco LLC.
Description: 205(d) Rate Filing: Vermont Transco LLC submits tariff filing per 35.13(a)(2)(iii): Filing to Update Section 10—Real Power Losses.
Filed Date: 7/2/25.
Accession Number: 20250702–5033.
Comment Date: 5 p.m. ET 7/23/25.
Docket Numbers: ER25–2763–000.
Applicants: AEP Texas Inc.
Description: 205(d) Rate Filing: AEPTX–VESI 29 (Pajarita BESS) Generation Interconnection Agreement to be effective 6/19/2025.
Filed Date: 7/2/25.
Accession Number: 20250702–5040.
Comment Date: 5 p.m. ET 7/23/25.
Docket Numbers: ER25–2765–000.
Applicants: NorthWestern Corporation.
Description: 205(d) Rate Filing: RS 188—Revised Colstrip 1 & 2 Transmission Agreement to be effective 9/1/2025.
Filed Date: 7/2/25.
Accession Number: 20250702–5062.
Comment Date: 5 p.m. ET 7/23/25.
Docket Numbers: ER25–2766–000.
Applicants: Midcontinent Independent System Operator, Inc. GridLiance Heartland LLC.
Description: 205(d) Rate Filing: GridLiance Heartland LLC submits tariff filing per 35.13(a)(2)(iii): 2025–07–02_GridLiance Heartland Logansport Asset Transfer Integration to be effective 9/1/2025.
Filed Date: 7/2/25.
Accession Number: 20250702–5081.
Comment Date: 5 p.m. ET 7/23/25.
Docket Numbers: ER25–2767–000.
Applicants: Emily Solar, LLC.
Description: 205(d) Rate Filing: Initial Market Based Rate Tariff to be effective 7/3/2025.
Filed Date: 7/2/25.
Accession Number: 20250702–5083.
Comment Date: 5 p.m. ET 7/23/25.
 The filings are accessible in the Commission's eLibrary system (<https://elibrary.ferc.gov/idmws/search/fercgensearch.asp>) by querying the docket number.
 Any person desiring to intervene, to protest, or to answer a complaint in any of the above proceedings must file in accordance with Rules 211, 214, or 206 of the Commission's Regulations (18 CFR 385.211, 385.214, or 385.206) on or before 5:00 p.m. Eastern time on the

specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

The Commission's Office of Public Participation (OPP) supports meaningful public engagement and participation in Commission proceedings. OPP can help members of the public, including landowners, community organizations, Tribal members and others, access publicly available information and navigate Commission processes. For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, the public is encouraged to contact OPP at (202) 502–6595 or OPP@ferc.gov.

Dated: July 2, 2025.

Debbie-Anne A. Reese,
 Secretary.

[FR Doc. 2025–12653 Filed 7–7–25; 8:45 am]

BILLING CODE 6717–01–P

FEDERAL ACCOUNTING STANDARDS ADVISORY BOARD

Notice of Request for Comment on an Exposure Draft Titled Technical Clarifications: Statement of Federal Financial Accounting Standards 59, Accounting and Reporting of Government Land

AGENCY: Federal Accounting Standards Advisory Board.

ACTION: Notice.

SUMMARY: Notice is hereby given that the Federal Accounting Standards Advisory Board (FASAB) staff has released for public comment an exposure draft of a proposed Technical Bulletin titled *Technical Clarifications: SFFAS 59, Accounting and Reporting of Government Land*. Respondents are encouraged to comment on any part of the exposure draft.

DATES: Responses are requested by July 18, 2025.

ADDRESSES: The exposure draft is available on the FASAB website at <https://www.fasab.gov/documents-for-comment/>. Copies can be obtained by contacting FASAB at (202) 512–7350. Comments should be sent to land@fasab.gov.

FOR FURTHER INFORMATION CONTACT: Ms. Monica R. Valentine, Executive

Director, 441 G Street NW, Suite 1155, Washington, DC 20548, or call (202) 512-7350.

Authority: 31 U.S.C. 3511(d); Federal Advisory Committee Act, 5 U.S.C. 1001-1014).

Dated: July 3, 2025.

Monica R. Valentine,
Executive Director.

[FR Doc. 2025-12686 Filed 7-7-25; 8:45 am]

BILLING CODE 1610-02-P

FEDERAL COMMUNICATIONS COMMISSION

[CG Docket No. 17-59; DA 25-537; FR ID 301341]

Advanced Methods To Target and Eliminate Unlawful Robocalls

AGENCY: Federal Communications Commission.

ACTION: Notice.

SUMMARY: In this document, the Consumer and Governmental Affairs Bureau (CGB) announces guidelines for disposition of un-reimbursable Reassigned Numbers Database (RND) creation costs. Specifically, the Bureau establishes the methodology for disposition of RND creation costs that cannot be reimbursed to the contributing providers in the small number of circumstances where those providers have gone out of business or otherwise cannot be located.

DATES: July 8, 2025.

FOR FURTHER INFORMATION CONTACT: Rebecca Maccaroni, Consumer Policy Division, Consumer and Governmental Affairs Bureau, email at Rebecca.Maccaroni@fcc.gov or by phone at (202) 418-7603.

SUPPLEMENTARY INFORMATION: This is a summary of the CGB's Public Notice, in

CG Docket No. 17-59, DA 25-537, released on June 23, 2025. The full text of this document is available online at <https://docs.fcc.gov/public/attachments/DA-25-537A1.pdf>. To request materials in accessible formats for people with disabilities (e.g., braille, large print, electronic files, audio format, etc.), send an email to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice).

Federal Communications Commission.

Robert Garza,
Legal Advisor, Consumer and Governmental Affairs Bureau.

[FR Doc. 2025-12668 Filed 7-7-25; 8:45 am]

BILLING CODE 6712-01-P

FEDERAL DEPOSIT INSURANCE CORPORATION

[OMB No. 3064-0152; -0190; -0207]

Agency Information Collection Activities: Proposed Collection Renewal; Comment Request

AGENCY: Federal Deposit Insurance Corporation.

ACTION: Notice and request for comment.

SUMMARY: The Federal Deposit Insurance Corporation (FDIC), as part of its obligations under the Paperwork Reduction Act of 1995, invites the general public and other Federal agencies to take this opportunity to comment on the request to renew the existing information collections described below (OMB Control No. 3064-0152; -0190 and -0207). The notices of proposed renewal for these information collections were previously published in the **Federal Register** on April 25, 2025, allowing for a 60-day comment period.

DATES: Comments must be submitted on or before August 7, 2025.

ADDRESSES: Interested parties are invited to submit written comments to the FDIC by any of the following methods:

- *Agency Website:* <https://www.fdic.gov/resources/regulations/federal-register-publications/>.
- *Email:* comments@fdic.gov. Include the name and number of the collection in the subject line of the message.
- *Mail:* Robert Meiers, Regulatory Attorney, MB-3013, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.
- *Hand Delivery:* Comments may be hand-delivered to the guard station at the rear of the 17th Street NW building (located on F Street NW), on business days between 7 a.m. and 5 p.m.

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. Find these information collections by selecting "Currently under 30-day Review—Open for Public Comments" or by using the search function.

FOR FURTHER INFORMATION CONTACT:

Robert Meiers, Regulatory Attorney, Romeiers@fdic.gov, MB-3013, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

SUPPLEMENTARY INFORMATION: Proposal to renew the following currently approved collection of information:

1. *Title:* ID Theft Red Flags.

OMB Number: 3064-0152.

Form Number: None.

Affected Public: Insured State Nonmember Banks.

Burden Estimate:

SUMMARY OF ESTIMATED ANNUAL BURDEN (OMB No. 3064-0152)

Information collection (IC) (obligation to respond)	Type of burden (frequency of response)	Number of respondents	Number of responses per respondent	Average time per response (HH:MM)	Annual Burden (Hours)
1. Program Establishment 12 CFR 334.90(d); 12 CFR 334.91(c) (Mandatory).	Recordkeeping (On occasion)	8	1	40:00	320
2. Program Operations 12 CFR 334.90(c),(e); 12 CFR 334.91(c) (Mandatory).	Recordkeeping (Annual)	2,854	1	16:00	45,664
3. Program Establishment 12 CFR 1022.82(c),(d) (Mandatory).	Recordkeeping (On occasion)	8	1	40:00	320
4. Program Operations 12 CFR 1022.82(c),(d) (Mandatory).	Recordkeeping (Annual)	2,795	1	04:00	11,180
5. Specific Incident Responses 12 CFR 1022.82(d)(1 through 3) (Mandatory).	Disclosure (On occasion)	2,795	16	00:10	7,453

SUMMARY OF ESTIMATED ANNUAL BURDEN (OMB NO. 3064–0152)—Continued

Information collection (IC) (obligation to respond)	Type of burden (frequency of response)	Number of respondents	Number of responses per respondent	Average time per response (HH:MM)	Annual Burden (Hours)
Total Annual Burden (Hours):					64,937

Source: FDIC.

Note: The estimated annual IC time burden is the product, rounded to the nearest hour, of the estimated annual number of responses and the estimated time per response for a given IC. The estimated annual number of responses is the product, rounded to the nearest whole number, of the estimated annual number of respondents and the estimated annual number of responses per respondent. This methodology ensures the estimated annual burdens in the table are consistent with the values recorded in OMB's consolidated information system.

General Description of Collection: The regulation containing this information collection requirement is 12 CFR part 334, which implements sections 114 and 315 of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act), Public Law 108–159 (2003). FACT Act Section 114: Section 114 requires the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, and the FDIC (the agencies) to jointly propose guidelines for financial institutions and creditors identifying patterns, practices, and specific forms of activity that indicate the possible existence of identity theft. In addition, each financial institution and creditor is required to establish reasonable policies and procedures to address the risk of identity theft that incorporate the guidelines. Credit card and debit card issuers must develop policies and procedures to assess the validity of a request for a change of address under

certain circumstances. The information collections pursuant to section 114 require each financial institution and creditor to create an Identity Theft Prevention Program and report to the board of directors, a committee thereof, or senior management at least annually on compliance with the proposed regulations. In addition, staff must be trained to carry out the program. Each credit and debit card issuer is required to establish policies and procedures to assess the validity of a change of address request. The card issuer must notify the cardholder or use another means to assess the validity of the change of address. FACT Act Section 315: Section 315 requires the agencies to issue regulations providing guidance regarding reasonable policies and procedures that a user of consumer reports must employ when such a user receives a notice of address discrepancy from a consumer reporting agency. Part 334 provides such guidance. Each user

of consumer reports must develop reasonable policies and procedures that it will follow when it receives a notice of address discrepancy from a consumer reporting agency. A user of consumer reports must furnish an address that the user has reasonably confirmed to be accurate to the consumer reporting agency from which it receives a notice of address discrepancy. There is no change in the methodology or substance of this information collection. The 7,847 decrease in total estimated annual burden from 72,784 hours in 2022 to 64,937 hours currently is due to a decrease in the estimated number of respondents and a reduction in the estimated number of responses per respondent.

2. *Title:* Loans in Areas Having Special Flood Hazards.

OMB Number: 3064–0207.

Form Number: None.

Affected Public: Private Sector.

Burden Estimate:

SUMMARY OF ESTIMATED ANNUAL BURDEN (OMB NO. 3064–0207)

Information collection (IC) (obligation to respond)	Type of burden (frequency of response)	Number of respondents	Number of responses per respondent	Average time per response (HH:MM)	Annual burden (hours)
1. Private flood insurance, 12 CFR 339.3(c)(3)(iv) and (4)(iv) (Mandatory).	Recordkeeping (On Occasion)	2,825	2	00:30	2,825
2. Standard flood hazard determination form, 12 CFR 339.6(b) (Mandatory).	Recordkeeping (On Occasion)	2,825	296	00:025	34,842
3. Record of receipt of notice of special flood hazards and availability of Federal disaster relief assistance, 12 CFR 339.9(d) (Mandatory).	Recordkeeping (On Occasion)	2,825	37	00:15	26,131
4. Notice of requirement to escrow flood insurance payments and fees, 12 CFR 339.5(b) (Mandatory).	Disclosure (On Occasion)	494	62	00:05	2,552
5. Change in status, 12 CFR 339.5(c)(2) (Mandatory).	Disclosure (On Occasion)	29	1	40:00	1,160
6. Notice of option to escrow flood insurance payments and fees, 12 CFR 339.5(d)(2) (Mandatory).	Disclosure (On Occasion)	29	17	00:05	41
7. Notice to borrower to obtain or increase flood insurance coverage, 12 CFR 339.7(a) (Mandatory).	Disclosure (On Occasion)	2,825	10	00:05	2,354

SUMMARY OF ESTIMATED ANNUAL BURDEN (OMB NO. 3064–0207)—Continued

Information collection (IC) (obligation to respond)	Type of burden (frequency of response)	Number of respondents	Number of responses per respondent	Average time per response (HH:MM)	Annual burden (hours)
8. Notification to terminate flood insurance purchased on behalf of a borrower, 12 CFR 339.7(b)(1)(i) (Mandatory).	Disclosure (On Occasion)	2,825	1	00:15	706
9. Notice of special flood hazards and availability of Federal disaster relief assistance, 12 CFR 339.9(a) (Mandatory).	Disclosure (On Occasion)	2,825	37	00:15	26,131
10. Notice to Administrator of FEMA of the loan servicer's identity, 12 CFR 339.10(a) (Mandatory).	Disclosure (On Occasion)	2,825	19	00:05	4,473
11. Notice to the Administrator of FEMA of a change in the loan servicer, 12 CFR 339.10(b) (Mandatory).	Disclosure (On Occasion)	2,825	19	00:05	4,473
Total Annual Burden (Hours): .....	.....	.....	.....	.....	105,688

Source: FDIC.

Note: The estimated annual IC time burden is the product, rounded to the nearest hour, of the estimated annual number of responses and the estimated time per response for a given IC. The estimated annual number of responses is the product, rounded to the nearest whole number, of the estimated annual number of respondents and the estimated annual number of responses per respondent. This methodology ensures the estimated annual burdens in the table are consistent with the values recorded in OMB's consolidated information system.

General Description of Collection:

Each supervised lending institution is required to provide a notice of special flood hazards to a borrower acquiring a loan secured by a building on real property located in an area identified by FEMA as subject to special flood hazards, and various other notices to borrowers, servicers and FEMA. The Riegle Community Development Act requires that each institution also provide a copy of the notice to the servicer of the loan (if different from the originating lender). Section 100239 of the Biggert-Waters Flood Insurance Reform Act of 2012 requires each Federal banking agency (including the FDIC), and the Farm Credit

Administration, to adopt implementing regulations to direct regulated lending institutions to accept "private flood insurance," as defined by the Biggert-Waters Act. A lending institution would be required to implement policies and procedures to comply with the Biggert-Waters Act provision and verify in writing that a private insurance policy satisfies the criteria included in the definition, or document findings that separate required criteria have been met when accepting a private flood insurance policy in satisfaction of the mandatory flood insurance purchase requirement of the Flood Disaster Protection Act. The institution must also maintain records to permit

examination staff to ascertain how the institution has met the requirements of the regulation. There is no change in the methodology or substance of this information collection. The decrease in total estimated annual burden from 117,613 hours in 2022 to 105,688 hours currently is due to a decrease in the estimated number of respondents.

3. *Title:* Certification of Compliance with Mandatory Bars to Employment.

OMB Number: 3064–0190.

Form Number: 6910/10.

Affected Public: Individuals, financial institutions, and other private sector entities.

Burden Estimate:

SUMMARY OF ESTIMATED ANNUAL BURDEN (OMB NO. 3064–0190)

Information collection (IC) (obligation to respond)	Type of burden (frequency of response)	Number of respondents	Number of responses per respondent	Time per response (HH:MM)	Annual burden (Hours)
Interagency Appraisal Complaint Form, 12 U.S.C 3351 (Voluntary).	Reporting (On Occasion)	62	1	00:30	31
Total Annual Burden (Hours): ....	.....	.....	.....	.....	31

Source: FDIC.

General Description of Collection: The Interagency Appraisal Complaint Form is designed to collect information necessary for one or more agencies to take further action on a complaint from an appraiser, other individual, financial institution, or other entities. The FDIC will use the information to take further action on the complaint to the extent it relates to an issue within its

jurisdiction. There is no change in the methodology or substance of this information collection. The decrease in total estimated annual burden from 58 hours in 2022 to 31 hours currently is due to a decrease in the estimated number of respondents.

Request for Comment

Comments are invited on (a) whether the collection of information is necessary for the proper performance of the FDIC's functions, including whether the information has practical utility; (b) the accuracy of the estimates of the burden of the 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; 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. All comments will become a matter of public record.

Federal Deposit Insurance Corporation.

Dated at Washington, DC, on July 2, 2025.

Jennifer M. Jones,

Deputy Executive Secretary.

[FR Doc. 2025–12612 Filed 7–7–25; 8:45 am]

BILLING CODE 6714–01–P

FEDERAL MEDIATION AND CONCILIATION SERVICE

Notification of Intention To Strike or Picket at Any Health Care Institution

AGENCY: Federal Mediation and Conciliation Service (FMCS).

ACTION: 60-Day notice and request for comments.

SUMMARY: The Federal Mediation and Conciliation Service (FMCS), invites the public and other Federal Agencies to take this opportunity to comment on the following information collection request, Notification of intention to strike or picket at any health care institution Form. This information collection request will be submitted for approval to the Office of Management and Budget (OMB) in compliance with the Paperwork Reduction Act (PRA). The Notification of intention to strike or picket at any health care institution Form was developed pursuant to the National Labor Relations Act and The Health Care Amendments Act of 1974 which labor organizations must notify FMCS before engaging in any strike, picketing, or other concerted refusal to work at any health care institution.

DATES: Comments must be submitted on or before September 8, 2025.

ADDRESSES: You may submit comments, identified by the Notification of intention to strike or picket at any health care institution Form, through one of the following methods:

- *Email:* register@fmcs.gov;
- *Mail:* Office of General Counsel, One Independence Square, 250 E St. SW, Washington, DC 20427.

FOR FURTHER INFORMATION CONTACT: Beth Schindler, National Representative, (206) 553–5801, bschindler@fmcs.gov.

SUPPLEMENTARY INFORMATION: Copies of the agency form are available here.

I. Request for Comments

FMCS solicits comments to:

i. Evaluate whether the proposed collections of information are necessary for the proper performance of the functions of the agency, including whether the information will have practical utility.

ii. Enhance the accuracy of the agency's estimates of the burden of the proposed collection of information.

iii. Enhance the quality, utility, and clarity of the information to be collected.

iv. Minimize the burden of the collections of information on those who are to respond, including the use of appropriate automated, electronic collection technologies or other forms of information technology.

II. Information Collection Request

Agency: Federal Mediation and Conciliation Service.

OMB Number: OMB No. Not yet assigned.

Title: Notification of intention to strike or picket at any health care institution Form.

Type of Request: New Collection.

Affected Public: Private Sector, not-for profit institutions; and state and local government.

Frequency: On occasion.

Burden: The total annual burden estimate is that FMCS will receive approximately 200 responses per year. This form takes about 5 minutes to complete.

Information Collection Requirement

Purpose and Description of Data Collection: Pursuant to Section 8(g) of the National Labor Relations Act and The Health Care Amendments Act of 1974 (29 U.S.C. 158(d)(4), (4)(A)–(4)(C)), labor organizations must notify FMCS before engaging in any strike, picketing, or other concerted refusal to work at any health care institution. This will be satisfied by requiring the completion and submission of the Notification of intention to strike or picket at any health care institution Form.

Use of Results: Once FMCS receives the form, it contacts the parties and offers its services, including mediation, if appropriate, prior to the commencement of a work stoppage of any kind.

III. The Official Record

The official records are electronic records.

Dated: July 3, 2025.

Alisa Zimmerman,

Deputy General Counsel.

[FR Doc. 2025–12684 Filed 7–7–25; 8:45 am]

BILLING CODE 6732–01–P

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

Sunshine Act Meetings

TIME AND DATE: 1 p.m., Thursday, July 31, 2025.

PLACE: The Richard V. Backley Hearing Room, Room 511, 1331 Pennsylvania Avenue NW, Suite 504 North, Washington, DC 20004 (enter from F Street entrance).

STATUS: Open.

MATTERS TO BE CONSIDERED: The Commission will consider and act upon the following in open session: *Secretary of Labor v. GMS Mine Repair & Maintenance, Inc.*, Docket No. VA 2023–0021 (Issues include: (1) Whether the Secretary is collaterally estopped from enforcing a safeguard notice; (2) Whether the Judge erred in concluding that the operator violated a safeguard notice).

Any person attending this meeting who requires special accessibility features and/or auxiliary aids, such as sign language interpreters, must inform the Commission in advance of those needs. Subject to 29 CFR 2706.150(a)(3) and 2706.160(d).

CONTACT PERSON FOR MORE INFORMATION: Emogene Johnson (202) 434–9935/(202) 708–9300 for TDD Relay/1–800–877–8339 for toll free. Phone Number for Listening to Meeting: 1 (866) 236–7472. Passcode: 678–100.

(Authority: 5 U.S.C. 552b.)

Dated: July 3, 2025.

Rory P. Smith,

Attorney-Advisor.

[FR Doc. 2025–12675 Filed 7–3–25; 4:15 pm]

BILLING CODE 6735–01–P

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

Sunshine Act Meetings

TIME AND DATE: 10 a.m., Thursday, July 31, 2025.

PLACE: The Richard V. Backley Hearing Room, Room 511, 1331 Pennsylvania Avenue NW, Suite 504 North, Washington, DC 20004 (enter from F Street entrance).

STATUS: Open.

MATTERS TO BE CONSIDERED: The Commission will hear oral argument in the matter *Secretary of Labor v. GMS Mine Repair & Maintenance, Inc.*, Docket No. VA 2023–0021 (Issues include: (1) Whether the Secretary is collaterally estopped from enforcing a safeguard notice; (2) Whether the Judge erred in concluding that the operator violated a safeguard notice).

Any person attending this meeting who requires special accessibility features and/or auxiliary aids, such as sign language interpreters, must inform the Commission in advance of those needs. Subject to 29 CFR 2706.150(a)(3) and 2706.160(d).

CONTACT PERSON FOR MORE INFORMATION: Emogene Johnson (202) 434-9935/(202) 708-9300 for TDD Relay/1-800-877-8339 for toll free. Phone Number for Listening to Meeting: 1 (866) 236-7472. Passcode: 678-100.

(Authority: 5 U.S.C. 552b.)

Dated: July 3, 2025.

Rory P. Smith,

Attorney-Advisor.

[FR Doc. 2025-12674 Filed 7-3-25; 4:15 pm]

BILLING CODE 6735-01-P

FEDERAL TRADE COMMISSION

[File No. P072108]

Agency Information Collection Activities; Proposed OMB Generic Clearance; Comment Request; Generic Clearance for Information Collection Using Voluntary Surveys for Studies Conducted by the Federal Trade Commission Bureau of Economics To Support the FTC's Missions To Protect Consumers and Competition

AGENCY: Federal Trade Commission.

ACTION: Notice and request for comment.

SUMMARY: The Federal Trade Commission (FTC) is announcing an opportunity for public comment on the proposed collection of certain information through voluntary surveys for studies conducted by the agency. Under the Paperwork Reduction Act of 1995 (the PRA), Federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information and to allow 60 days for public comment in response to the notice. This notice solicits comments on a generic clearance for the FTC to conduct voluntary surveys/experiments for social and behavioral research that support FTC's consumer protection and competition missions.

DATES: Comments must be filed by September 8, 2025.

ADDRESSES: Interested parties may file a comment online or on paper, by following the instructions in the Request for Comment part of the **SUPPLEMENTARY INFORMATION** section below. Write "Generic Clearance for Information Collection Using Voluntary Surveys; PRA Comment; P072108" on your comment and file your comment

online at <https://www.regulations.gov> by following the instructions on the web-based form. If you prefer to file your comment on paper, mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW, Mail Stop H-144 (Annex G), Washington, DC 20580.

FOR FURTHER INFORMATION CONTACT: Eric Spurlino, Economist, Division of Consumer Protection, Bureau of Economics, Federal Trade Commission, (202) 326-2516, espurlino@ftc.gov.

SUPPLEMENTARY INFORMATION:

Title of Collection: Generic Clearance for Information Collection Using Voluntary Surveys for Studies Conducted by the Federal Trade Commission Bureau of Economics to Support the FTC's Missions to Protect Consumers and Competition.

OMB Control Number: 3084-XXXX.

Type of Review: Proposed Collection.

Estimated Annual Burden Hours: 10,000 hours.

Abstract: Understanding consumers' perceptions and behaviors plays an important role in improving FTC law enforcement by better understanding potentially harmful and anticompetitive business practices and enabling efficient new methods to compute consumer injury. The FTC seeks to collect data using voluntary participation in surveys under this generic clearance to help with determining the issues and mechanisms underlying consumer behavior in response to unfair or deceptive business practices and to inform the FTC about how best to protect consumers in light of these practices. Data collected under this generic clearance may also be useful for monitoring emerging trends in deceptive and unfair practices in the marketplace and to understand the effectiveness of FTC's enforcement actions and consumer education efforts.

The Federal Trade Commission Act (the Act), 15 U.S.C. 41 through 58, authorizes the agency to conduct research and gather information on issues related to consumer protection and competition. Specifically, section 6(a) of the Act, 15 U.S.C. 46(a) provides the Commission shall have power "to gather and compile information concerning, and to investigate from time to time the organization, business, conduct, practices, and management of any person, partnership, or corporation engaged in or whose business affects commerce." Accordingly, this generic clearance seeks to cover research consisting of voluntary focus groups, interviews, surveys, and experiments relating to consumers' perceptions of

industry and business practices, and their behavior as it pertains to their relationship with these practices.

The information will be collected from voluntary participants through one-on-one telephone, internet, or in-person interviews, online focus groups, self-administered (online) surveys, or (online or in-person) economics experiments, depending upon the target audience, expectations about whether the information will be evaluated in an individual or group context, and the need to present educational or interventional materials. The methods to be used serve the narrowly defined need for direct and informal opinion on a specific topic and as qualitative and quantitative research tools, and have two major purposes:

1. Increase understanding of consumers' perceptions and behavioral responses to potentially harmful business practices.
2. To stay current on the latest trends in consumer experience with deceptive, unfair, or anticompetitive practices in the marketplace.

The FTC will use this information to better understand where to dedicate resources in investigation and enforcement, as well as to improve methods for assessing consumer harm and demand estimation. The research conducted under this voluntary information collection falls primarily under the Bureau of Economics within the FTC. However, other Bureaus or Offices within the FTC may offer advice and input into the research conducted. The research would not be used specifically for the purposes of making policy or regulatory decisions. Rather, the findings would help expand the agency's knowledge and understanding of consumer perception issues prevalent in its law-enforcement investigations. The FTC's Bureau of Economics will use this voluntary information collection to test communications and social and behavioral methods about consumer behavior and beliefs in ways that increase our understanding of consumer experiences as well as ways in which business practices may be or have the potential to be, inflicting harm on consumers. For one example, the FTC intends to use this information collection to conduct a voluntary survey of American consumers about their experiences of fraud in the marketplace.

As required by section 3506(c)(2)(A) of the PRA, 44 U.S.C. 3506(c)(2)(A), the FTC is providing this opportunity for public comment.

Burden statement: Annually, the FTC projects about 10 social and behavioral studies, involving voluntary respondents, using the variety of test

methods listed in this document. The FTC is requesting this clearance so as not to restrict the agency's ability to gather voluntary information on public

sentiment for its proposals in its enforcement and communications programs.

The FTC estimates the burden of this collection of information as follows:

TABLE 1—ESTIMATED ANNUAL REPORTING BURDEN

Activity	Number of respondents	Number of responses per respondent	Total annual responses	Average burden per response (minutes)	Total hours
Interviews/Surveys	20,000	1	20,000	30	10,000

Staff believes there are no current start-up costs or other capital costs associated with this collection of information.

Request for Comment

Pursuant to section 3506(c)(2)(A) of the PRA, the FTC invites comments on: (1) whether the collection of information is necessary for the performance of the functions of the agency, including whether the information will be practically useful; (2) the accuracy of our burden estimates, including whether the methodology and assumptions used are valid; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information.

For the FTC to consider a comment, we must receive it on or before September 8, 2025. Your comment, including your name and your State, will be placed on the public record of this proceeding, including the <https://www.regulations.gov> website.

You can file a comment online or on paper. Due to heightened security screening, postal mail addressed to the Commission will be subject to delay. We encourage you to submit your comments online through the <https://www.regulations.gov> website. If you file your comment on paper, write "Generic Clearance for Information Collection Using Voluntary Surveys; PRA Comment; P072108," on your comment and on the envelope, and mail it to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW, Mail Stop H-144 (Annex G), Washington, DC 20580. If possible, submit your paper comment to the Commission by overnight service.

Because your comment will become publicly available at <https://www.regulations.gov>, you are solely responsible for making sure your comment does not include any sensitive or confidential information. In particular, your comment should not include any sensitive personal information, such as your or anyone

else's Social Security number; date of birth; driver's license number or other State identification number, or foreign country equivalent; passport number; financial account number; or credit or debit card number. You are also solely responsible for making sure your comment does not include any sensitive health information, such as medical records or other individually identifiable health information. In addition, your comment should not include any "trade secret or any commercial or financial information which . . . is privileged or confidential"—as provided by section 6(f) of the FTC Act, 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2)—including, in particular, competitively sensitive information, such as costs, sales statistics, inventories, formulas, patterns, devices, manufacturing processes, or customer names.

Comments containing material for which confidential treatment is requested must (1) be filed in paper form, (2) be clearly labeled "Confidential," and (3) comply with FTC Rule 4.9(c). In particular, the written request for confidential treatment that accompanies the comment must include the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. *See* FTC Rule 4.9(c). Your comment will be kept confidential only if the General Counsel grants your request in accordance with the law and the public interest. Once your comment has been posted publicly at www.regulations.gov, we cannot redact or remove your comment unless you submit a confidentiality request that meets the requirements for such treatment under FTC Rule 4.9(c), and the General Counsel grants that request.

The FTC Act and other laws the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives on or

before September 8, 2025. For information on the Commission's privacy policy, including routine uses permitted by the Privacy Act, see <https://www.ftc.gov/site-information/privacy-policy>.

By direction of the Commission.

Joel Christie,

Acting Secretary.

[FR Doc. 2025-12627 Filed 7-7-25; 8:45 am]

BILLING CODE 6750-01-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Proposed Collection; 60-Day Comment Request; NIH Information Collection Web Interface and Forms To Support Genomic Data Sharing for Research Purposes (OD)

AGENCY: National Institutes of Health, HHS.

ACTION: Notice.

SUMMARY: In compliance with the requirement of the Paperwork Reduction Act of 1995, for opportunity for public comment on proposed data collection projects, the National Institutes of Health Office of the Director (OD) will publish periodic summaries of proposed projects to be submitted to the Office of Management and Budget (OMB) for review and approval.

DATES: Comments regarding this information collection are best assured of having their full effect if received within 60 days of the date of this publication.

FOR FURTHER INFORMATION CONTACT: To obtain a copy of the data collection plans and instruments, submit comments in writing, or request more information on the proposed project, contact: Julia Slutsman, Ph.D., Director, Data Sharing Policies Implementation, Office of Extramural Research, NIH, 6705 Rockledge Drive, Suite 800-C, Bethesda, MD 20892, or call non-toll-

free number (301) 594–7783; or email your request including your address to: sharing@mail.nih.gov. Formal requests for additional plans and instruments must be requested in writing.

SUPPLEMENTARY INFORMATION: Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995 requires: written comments and/or suggestions from the public and affected agencies are invited to address one or more of the following points: (1) Whether the proposed collection of information is necessary for the proper performance of the function of the agency, including whether the information will have practical utility; (2) 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) Ways to enhance the quality, utility, and clarity of the information to be collected; and (4) Ways to minimize the burden of the collection of information from those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Proposed Collection Title: NIH Information Collection Web Interfaces and Forms to Support Genomic Data Sharing for Research Purposes—0925—0670—Expiration Date 03/31/2026—REVISION—Office of the Director (OD), National Institutes of Health (NIH).

Need and Use of Information Collection: Sharing research data is integral to the mission of the National Institutes of Health (NIH) as it advances our understanding of factors that influence health and disease, while also providing opportunities to accelerate research through the power of combining large, information-rich datasets. To promote robust sharing of

human and non-human genomic data from a wide range of large-scale genomic research, and to provide appropriate protections for research involving human data, NIH established the Database of Genotypes and Phenotypes (dbGaP) and issued the NIH Genomic Data Sharing (GDS) Policy (<https://grants.nih.gov/grants/guide/notice-files/NOT-OD-14-124.html>). The Database of Genotypes and Phenotypes (dbGaP) was developed to archive and distribute the data results of eligible NIH-funded research studies that have investigated the interaction of genotype (the genetic constitution of an individual organism) and phenotype (the set of observable characteristics of an individual resulting from the interaction of its genotype with the environment) in humans. The NIH GDS Policy applies to NIH-funded research that generates large-scale human or non-human genomic data as well as the use of these data for subsequent research. Human genomic data submissions, controlled-access genomic data, and related phenotypic data are managed through the database of Genotypes and Phenotypes (dbGaP); dbGaP is administered by the National Center for Biotechnology Information (NCBI), part of the National Library of Medicine at NIH.

Under the NIH GDS Policy, all investigators who receive NIH funding to conduct large-scale genomic research are expected to register studies with human genomic data in dbGaP. As part of the study registration process, investigators must provide basic study information, such as the types of data that will be submitted to dbGaP and a description of the study, via a form provided by the funding NIH institute. While individual NIH institutes currently use different forms, NIH seeks to harmonize the current forms into a single Study Registration Information

Form. In addition, to keep pace with changes in genomics research, NIH has developed a Data Agnostic Submission Form to accept submission of non-genomic data generated with genomic data.

Requesters interested in using controlled-access human data for secondary research must apply through the dbGaP Authorized Access System and be granted permission from the relevant NIH Data Access Committee (DAC). As part of the application process, requesters and their institutions provide basic information, such as the proposed research use of the data, and agree to the terms of access delineated in the Data Use Certification agreement. Beginning on January 25, 2025, requesters and their institutions are expected to attest that their systems or, if applicable, their third-party IT system or Cloud Service Provider secure the data according to standards set for in the NIH Security Best Practices for Users of Controlled-Access Data (<https://sharing.nih.gov/sites/default/files/flmnr/NIH-Security-BPs-for-Users-of-Controlled-Access-Data.pdf>). This attestation will be a part of completing the request in the dbGaP Authorized Access System.

NIH has developed online forms and digital interfaces, available either as PDF files or through dbGaP, to minimize burden for researchers and their institutional officials completing the study registration (*i.e.*, Study Registration Information Form), attesting to security standards in the data access request, and submitting data.

OMB approval is requested for 3 years. There are no costs to respondents other than their time. The total estimated annualized burden hours for all respondents across all forms is 25,950 hours.

ESTIMATED ANNUALIZED BURDEN HOURS

Form name	Type of respondents	Number of respondents	Number of responses per respondent	Average burden per response (in hours)	Total annual burden hours
Study Registration and Data Submission					
Data Agnostic Submission Certification.	Investigator Submitting Data	9,000	1	30/60	4,500
Data Agnostic Submission Certification.	Institutional Signing Official Certifying Data Submission.	9,000	1	30/60	4,500
Study Registration Information Form	Investigator Submitting Data	400	1	1	400
Data Derivative Institutional Certification.	Investigator Submitting Data	50	1	30/60	25
Data Derivative Institutional Certification.	Institutional Signing Official Certifying Data Submission.	50	1	30/60	25

ESTIMATED ANNUALIZED BURDEN HOURS—Continued

Form name	Type of respondents	Number of respondents	Number of responses per respondent	Average burden per response (in hours)	Total annual burden hours
Requesting Access to Data					
dbGaP Authorized Access System ...	Investigator Requesting Data	4,000	6	30/60	12,000
dbGaP Authorized Access System ...	Institutional Signing Official Certifying Data Request.	1,500	6	30/60	4,500
Total .....	.....	24,000	51,500	.....	25,950

Dated: July 1, 2025.

Jon Lorsch,

Acting Deputy Director for Extramural Research, National Institutes of Health.

[FR Doc. 2025–12669 Filed 7–7–25; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

[Docket No. USCG–2025–0193]

Cancellation of Obsolete Navigation and Vessel Inspection Circulars

AGENCY: Coast Guard, DHS.

ACTION: Announcement of decision.

SUMMARY: The Coast Guard announces the cancellation of three obsolete Navigation and Vessel Inspection Circulars (NVICs). NVICs are guidance documents issued by the Coast Guard that do not have the force of law. However, NVICs ensure Coast Guard inspections and other regulatory actions conducted by field personnel are complete and consistent. Similarly, the marine industry and the general public rely on NVICs as a way to assess how the Coast Guard will enforce certain regulations or conduct various marine safety programs. Thus, it is important that the public is made aware when NVICs are cancelled so as to avoid confusion.

DATES: The NVICs were cancelled on July 2, 2025.

FOR FURTHER INFORMATION CONTACT: For information about this document call or email CDR Jake Lobb, Coast Guard;

telephone 202–372–1410, email *Jake.R.Lobb2@uscg.mil*.

SUPPLEMENTARY INFORMATION:

Background and Purpose

A Navigation and Vessel Inspection Circular (NVIC) provides detailed guidance about the enforcement or compliance with a certain Federal marine safety regulations and Coast Guard marine safety programs. While NVIC's are non-directive, meaning that they do not have the force of law, they are important “tools” for helping the public comply with the law. To best serve the public and maritime industry, the Coast Guard is reviewing and actively managing its inspections policy to ensure that all published NVICs are consistent with current practices.

The Coast Guard is issuing this document under 5 U.S.C. 552. This document serves to inform the public about the cancellation and removal of certain obsolete and outdated Coast Guard NVICs. The Coast Guard wishes to reduce confusion to the public by removing NVICs that do not reflect current practices and that potentially conflict with more modern guidance.

NVICs Being Cancelled

1. NVIC 11–91 OCEAN TOW OF JACKUP DRILLING UNITS called attention to the International Association of Drilling Contractors (IADC) booklet entitled “General Ocean Tow recommendations for Jackup Drilling Units” dated February 13, 1991. The only purpose of the NVIC was to call attention to this publication. It has no additional guidance, and the guidance referenced in the NVIC is now dated and no longer needed.

2. NVIC 10–97 GUIDELINES FOR CARGO SECURING MANUAL APPROVAL provided guidance on the applicability, preparation, and approval of Cargo Securing Manuals (CSM). The NVIC discussed the initiation of a rulemaking that would specify U.S. flag vessel CSM responsibilities, establish U.S. CSM Approval Authority responsibilities, and identify application and selection procedures for organizations seeking U.S. CSM Approval Authority delegation. This rulemaking is complete, and the regulations can be found in 33 CFR part 97. The NVIC is no longer needed.

3. NVIC 8–00 GUIDANCE REGARDING ENFORCEMENT OF THE INTERNATIONAL CONVENTION FOR SAFE CONTAINERS (CSC), 1972, FOR FREIGHT CONTAINERS WITH ONE DOOR REMOVED provided guidance regarding the transportation of commodities in freight containers meeting the International Convention for Safe Containers (CSC) construction and inspection requirements, where one door has been removed to provide extra ventilation for cargoes being transported. Guidance includes marking of the Safety Approval Plate and testing requirements. CSC was updated in 2010 and 2013 to include standards specific to the marking and structural testing requirements for one door off operation. The NVIC is no longer needed.

Dated: July 2, 2025.

J.G. Lantz,

Director of Commercial Regulations and Standards (CG–5PS).

[FR Doc. 2025–12647 Filed 7–7–25; 8:45 am]

BILLING CODE 9110–04–P

**DEPARTMENT OF HOMELAND
SECURITY**

**Agreement Between the Government
of the United States of America and the
Government of the Republic of
Honduras for Cooperation in the
Examination of Protection Requests**

AGENCY: Department of Homeland
Security.

ACTION: Notice of Agreement and
Amendment.

SUMMARY: The Department of Homeland
Security is publishing the Agreement
Between the Government of the United
States of America and the Government
of the Republic of Honduras for
Cooperation in the Examination of
Protection Requests, signed at
Washington on March 10, 2025 (the

“Agreement”). DHS is also publishing
an Amendment to the Agreement,
which consists of diplomatic notes
exchanged at Tegucigalpa on June 25,
2025. The text of the Agreement and the
Amendment are set out below.

Robert T. Law,
*Senior Counselor, U.S. Department of
Homeland Security.*
BILLING CODE 9110-9M-P

**AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF
AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF HONDURAS
FOR COOPERATION IN THE EXAMINATION OF PROTECTION REQUESTS**

THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF HONDURAS, hereinafter referred to individually as a Party or collectively as the Parties,

CONSIDERING that Honduras is a party to the main international human rights instruments, particularly the 1951 Convention Relating to the Status of Refugees, done at Geneva on July 28, 1951 (the "1951 Convention"), and the Protocol Relating to the Status of Refugees, done at New York on January 31, 1967 (the "1967 Protocol"). The United States of America is a party to the 1967 Protocol and other relevant international instruments to which Honduras is also a party, and reaffirming the Parties' obligations to provide protection to eligible refugees physically present in their respective territories, in accordance with their obligations under these instruments, subject to the reservations, understandings, and declarations of the Parties;

RECOGNIZING in particular the Parties' obligations to comply with the principle of non-refoulement established in the 1951 Convention and the 1967 Protocol, as well as in the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, adopted in New York on December 10, 1984 (the "Convention against Torture"), subject to the Parties' respective reservations, understandings, and declarations of the Parties, and reaffirming their obligations to promote and protect human rights and fundamental freedoms in accordance with their international obligations;

RECOGNIZING AND RESPECTING each Party's obligations under their national laws, policies, instructions, and agreements;

HIGHLIGHTING that the United States of America and Honduras offer asylum and refugee protection systems that are consistent with their obligations under the 1951 Convention and the 1967 Protocol, and are committed to cooperation and the sharing of responsibilities regarding protection applicants;

DESIRING to preserve access to asylum and refugee status or equivalent temporary protection as an essential instrument of international refugee protection, while seeking to prevent fraud in the protection system, which undermines its legitimate purpose, and determined to strengthen the integrity of that institution and the public support on which it depends;

CONVINCED that relations between States can enhance international refugee protection by promoting the orderly management of asylum, refuge, or protection requests by the responsible authority and the principle of responsibility-sharing;

AWARE that responsibility-sharing must ensure in practice that individuals in need of international protection are identified and that violations of the fundamental principle of non-refoulement are avoided, and therefore determined to ensure that each eligible protection applicant under their jurisdiction has access to a full and fair protection determination procedure;

AGREE as follows:

ARTICLE 1

Definitions for the purpose of this Agreement:

1. **"Protection Request"** means a request by an individual to the government of a Party to receive protection in accordance with its obligations under the 1951 Convention, the 1967 Protocol, or the Convention against Torture, in accordance with the laws and policies of each Party, or any other equivalent temporary protection available under Honduran immigration law.
2. **"Protection Applicant"** means any individual who submits a Protection Request in the territory of one of the Parties in relation to the obligations of each Party.
3. **"Protection Determination System"** means the set of laws and administrative and judicial practices used by each national government of each Party to adjudicate Protection Requests.
4. **"Unaccompanied Minor"** means a Protection Applicant who has not yet reached eighteen years of age and who does not have a parent or legal guardian present and available to provide care and custody in the country where the Unaccompanied Minor is found, whether in the United States or in Honduras.

ARTICLE 2

This Agreement does not apply to Protection Applicants who are citizens or nationals of Honduras, or who, having no country of nationality, are habitual residents of Honduras.

ARTICLE 3

1. In order to ensure that Protection Applicants have access to a Protection Determination System, or equivalent temporary protection, Honduras shall not return or expel a Protection Applicant referred by the United States until a final administrative decision has been made on the individual's Protection Request. In accordance with its national legislation and international obligations, it is expected that Honduras will determine a procedure to resolve the possible abandonment of requests by individuals transferred under this Agreement.

Honduras reserves the right to accept any Protection Applicant removed under the terms of this Agreement.

2. The acceptance of all individuals transferred under this Agreement will be at the discretion of Honduras.
3. Except for the individuals described in paragraphs 1 and 2 of Article 4 and paragraph 2 of Article 5, Honduras shall examine, in accordance with its Protection Determination System, the Protection Request of any individual who submits such a request in Honduran territory after arriving at a port of entry or crossing a border between ports of entry of the United States on or after the entry into force of this Agreement. The Parties shall respect the decisions of each in relation to Protection Determinations made in accordance with their respective national laws.
4. The United States shall apply this Agreement with respect to Unaccompanied Minors in accordance with its domestic laws and international obligations.

ARTICLE 4

1. The responsibility for determining the outcome of the Protection Request lies with the United States when the United States determines that the individual:
 - a. Is an Unaccompanied Minor; or
 - b. Arrived in the territory of the United States:
 - i) With a valid visa issued or with another valid admission document, other than transit, issued by the United States; or
 - ii) Without being required to obtain a visa to enter the United States.
2. Honduras shall not dispute any decision by the United States that determines an individual qualifies for an exception under Articles 4 and 5 of this Agreement.
3. The Parties shall establish procedures to ensure that the transfers of Protection Applicants to Honduras comply with the obligations set forth in this Agreement and the national laws of each Party.

ARTICLE 5

1. Notwithstanding any provision of this Agreement, either Party may, at its own discretion, examine any Protection Request submitted to that Party when it determines that it is in the public interest to do so.
2. Nothing in this Agreement shall be understood as an obligation for the Parties to accept requests from individuals involved in: Crimes against humanity, drug trafficking, terrorism, human trafficking, smuggling of migrants, child pornography, human rights violations, and any other activity linked to illicit activities, or who are the subject of Interpol notifications.

ARTICLE 6

1. The Parties shall develop standard operating procedures to assist with the implementation of this Agreement.
2. In the event of a conflict or controversy arising from the application of this Agreement, the Parties commit to resolving such matters through dialogue or diplomatic channels.
3. The United States intends to cooperate with Honduras to strengthen institutional capacities with respect to its Protection Determination System.
4. The Parties intend to review this Agreement and its implementation. The first review may be conducted no later than 3 months after the effective date of this Agreement and will be carried out jointly by representatives of each Party.

ARTICLE 7

1. This Agreement shall enter into force upon the exchange of notes by both Parties, indicating that each has completed the necessary internal legal procedures for the entry into force of this Agreement. This Agreement will automatically renew after each one-year period for an additional year, subject to notification at least 30 days prior to its expiration by either Party of its intention not to renew it.
2. Either Party may terminate this Agreement by providing written notice six months in advance to the other Party.
3. Either Party may, immediately upon written notice to the other Party, suspend the implementation of this Agreement in its entirety for an initial period of up to three months. Such suspension may be renewed for additional periods of up to three months by written notice to the other Party. Either Party may, with the written agreement of the other Party, suspend any part of this Agreement.

4. The Parties may agree in writing to any amendment to this Agreement. When so agreed and approved in accordance with the applicable legal procedures of each Party, an amendment shall constitute an integral part of this Agreement.
5. Nothing in this Agreement shall be interpreted in a manner that obligates the Parties to disburse or commit funds. The implementation of this Agreement shall be subject to the availability of funds and technical capacities of each Party.

IN WITNESS WHEREOF, the undersigned, duly authorized by their respective governments, have signed this Agreement.

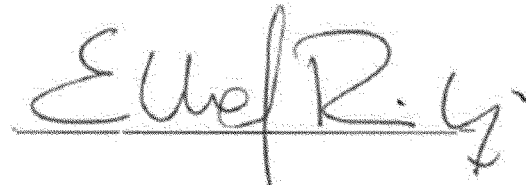
DONE at Washington on the 10 of March, 2025, in duplicate in the English and Spanish languages, both texts being equally authentic.

**FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA**



Michael G. Kozak
Senior Bureau Official
Bureau of Western Hemisphere Affairs
U.S. Department of State

**FOR THE GOVERNMENT OF THE
REPUBLIC OF HONDURAS**



Eduardo Enrique Reina García
Foreign Minister
Ministry of Foreign Relations and
International Cooperation

No.2025-0419

The Embassy of the United States of America in Tegucigalpa presents its compliments to the Ministry of Foreign Relations and International Cooperation of the Republic of Honduras and has the honor to refer to the Agreement between the Government of the United States of America and the Government of the Republic of Honduras for Cooperation in the Examination of Protection Requests, done at Washington March 10, 2025 (the "Agreement").

On behalf of the Government of the United States of America, the Embassy has the honor to propose to amend Article 3 paragraph 3 of the Agreement by replacing that paragraph, in its entirety, with the following:

"Except for the individuals described in paragraphs 1 and 2 of Article 4 and paragraph 2 of Article 5, Honduras shall examine, in accordance with its Protection Determination System, the Protection Request of any individual who submits such a request in Honduran territory after arriving at a port of entry or crossing a border between ports of entry of the United States. The Parties shall respect the decisions of each in relation to Protection Determinations made in accordance with their respective national laws."

DIPLOMATIC NOTE

If this proposal is acceptable to the Government of the Republic of Honduras, the Embassy has the honor to propose that this Note, together with an affirmative reply from the Government of the Republic of Honduras, shall form an agreement between the Government of the United States of America and the Government of the Republic of Honduras to amend the Agreement (the "Amendment"), and that the Amendment shall enter into force upon the date of the reply from the Government of the Republic of Honduras.

The Embassy of the United States of America avails itself of this opportunity to express to the Ministry of Foreign Relations and International Cooperation of the Republic of Honduras the assurances of its highest consideration.

Embassy of the United States of America,

Tegucigalpa, June 25, 2025.



U.S. Department of State
Office of Language Services
Translating Division



LS No.: 2025-0127928-A
Spanish/English
BBM/DK

TRANSLATION

Republic of Honduras
Secretariat of State of Foreign Affairs and International Cooperation

Note No. 079-DSM-2025

The Secretariat of State of Foreign Affairs and International Cooperation of the Republic of Honduras presents its compliments to the Embassy of the United States of America and refers to Embassy note No. 2025-0419, dated June 25, 2025, which reads as follows:

Quote:

The Embassy of the United States of America in Tegucigalpa presents its compliments to the Secretariat of State of Foreign Affairs and International Cooperation of the Republic of Honduras and has the honor to refer to the Agreement between the Government of the United States of America and the Government of the Republic of Honduras for Cooperation in the Examination of Protection Requests, done at Washington on March 10, 2025 (the "Agreement").

Embassy of the United States of America,
Tegucigalpa.

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On behalf of the Government of the United States of America, the Embassy has the honor to propose to amend Article 3 paragraph 3 of the Agreement by replacing that paragraph, in its entirety, with the following:

“Except for the individuals described in paragraphs 1 and 2 of Article 4 and paragraph 2 of Article 5, Honduras shall examine, in accordance with its Protection Determination System, the Protection Request of any individual who submits such a request in Honduran territory after arriving at a port of entry or crossing a border between ports of entry of the United States. The Parties shall respect the decisions of each in relation to Protection Determinations made in accordance with their respective national laws.”

If this proposal is acceptable to the Government of the Republic of Honduras, the Embassy has the honor to propose that this Note, together with an affirmative reply from the Government of the Republic of Honduras, shall form an agreement between the Government of the United States of America and the Government of the Republic of Honduras to amend the Agreement (the “Amendment”), and that the Amendment shall enter into force upon the date of the reply from the Government of the Republic of Honduras.

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The Embassy of the United States of America avails itself of this opportunity to express to the Ministry of Foreign Relations and International Cooperation of the Republic of Honduras the assurances of its highest consideration.

Unquote.

The Secretariat has the honor to confirm that the Government of the Republic of Honduras accepts the proposal contained in note No. 2025-0419, dated June 25, 2025. Accordingly, that note and this note shall constitute an agreement between the Government of the Republic of Honduras and the Government of the United States to amend the Agreement (the "Amendment") and that this Amendment shall enter into force on the date of this note.

The Secretariat of State of Foreign Affairs and International Cooperation of the Republic of Honduras avails itself of the opportunity to renew to the Embassy of the United States of America the assurances of its high and distinguished consideration.

Tegucigalpa M.D.C., June 25, 2025

[Initialed]

[Ministry stamp]

[FR Doc. 2025-12631 Filed 7-7-25; 8:45 am]
BILLING CODE 9110-9M-C

**DEPARTMENT OF HOMELAND
SECURITY**

**U.S. Citizenship and Immigration
Services**

[CIS No. 2819-25; DHS Docket No. USCIS-
2014-0006]

RIN 1615-ZB69

**Termination of the Designation of
Nicaragua for Temporary Protected
Status**

AGENCY: U.S. Citizenship and
Immigration Services (USCIS),

Department of Homeland Security
(DHS).

ACTION: Notice.

SUMMARY: Through this notice, the Department of Homeland Security (DHS) announces that the Secretary of Homeland Security (Secretary) is terminating the designation of Nicaragua for Temporary Protected Status (TPS). The designation of Nicaragua is set to expire on July 5, 2025. After reviewing country conditions and consulting with appropriate U.S. Government agencies,

the Secretary determined that Nicaragua no longer continues to meet the conditions for designation for TPS. The Secretary, therefore, is terminating the TPS designation of Nicaragua as required by statute. This termination is effective September 8, 2025. After September 8, 2025, nationals of Nicaragua (and aliens having no nationality who last habitually resided in Nicaragua) who have been granted TPS under Nicaragua's designation will no longer have TPS.

DATES: The designation of Nicaragua for TPS is terminated, effective at 11:59 p.m., local time, on September 8, 2025.

FOR FURTHER INFORMATION CONTACT: Humanitarian Affairs Division, Office of Policy and Strategy, U.S. Citizenship and Immigration Services, Department of Homeland Security, (240) 721-3000 (not a toll-free call).

SUPPLEMENTARY INFORMATION:

Table of Abbreviations

CFR—Code of Federal Regulations
 DHS—U.S. Department of Homeland Security
 EAD—Employment Authorization Document
 FR—Federal Register
 FRN—Federal Register Notice
 Government—U.S. Government
 INA—Immigration and Nationality Act
 Secretary—Secretary of Homeland Security
 TPS—Temporary Protected Status
 USCIS—U.S. Citizenship and Immigration Services
 U.S.C.—United States Code

What is Temporary Protected Status (TPS)?

The Immigration and Nationality Act (INA) authorizes the Secretary of Homeland Security, after consultation with appropriate agencies of the U.S. Government, to designate a foreign state (or part thereof) for TPS if the Secretary determines that certain country conditions exist. *See* INA sec. 244(b)(1), 8 U.S.C. 1254a(b)(1). The Secretary, in her discretion, may grant TPS to eligible nationals of that foreign state (or aliens having no nationality who last habitually resided in the designated foreign state). *See* INA sec. 244(a)(1)(A), 8 U.S.C. 1254a(a)(1)(A).

At least 60 days before the expiration of a foreign state's TPS designation or extension, the Secretary—after consultation with appropriate U.S. Government agencies—must review the conditions in the foreign state designated for TPS to determine whether they continue to meet the conditions required for the TPS designation. *See* INA sec. 244(b)(3)(A), 8 U.S.C. 1254a(b)(3)(A). If the Secretary determines that the conditions in the foreign state continue to meet the

specific statutory criteria for TPS designation, TPS will be extended for an additional period of 6 months or, in the Secretary's discretion, 12 or 18 months. *See* INA sec. 244(b)(3)(A), (C), 8 U.S.C. 1254a(b)(3)(A), (C). If the Secretary determines that the foreign state no longer meets the conditions for TPS designation, the Secretary must terminate the designation. *See* INA sec. 244(b)(3)(B), 8 U.S.C. 1254a(b)(3)(B). There is no judicial review of “any determination of the [Secretary] with respect to the designation, or termination or extension of a designation, of a foreign state” for TPS. INA sec. 244(b)(5)(A), 8 U.S.C. 1254a(b)(5)(A).

TPS is a temporary immigration benefit granted to eligible nationals of a country designated for TPS under the INA, or to eligible aliens without nationality who last habitually resided in the designated country. During the TPS designation period, TPS beneficiaries are eligible to remain in the United States, may not be removed, and are authorized to work and obtain an Employment Authorization Document (EAD) so long as they continue to meet the requirements of TPS. TPS beneficiaries may also apply for and be granted travel authorization as a matter of discretion. The granting of TPS does not result in or lead to lawful permanent resident status or any other immigration status. To qualify for TPS, beneficiaries must meet the eligibility standards at INA section 244(c)(2), 8 U.S.C. 1254a(c)(2). When the Secretary terminates a country's TPS designation, beneficiaries return to the same immigration status or category that they maintained before TPS, if any (unless that status or category has since expired or been terminated), or any other lawfully obtained immigration status or category they received while registered for TPS, as long as it is still valid on the date TPS terminates.

Designation of Nicaragua for TPS

Nicaragua was initially designated for TPS over 25 years ago based on a determination that an environmental disaster resulted in a substantial, but temporary, disruption of living conditions in the area affected. The Nicaraguan government officially requested the designation, and Nicaragua was unable, temporarily, to handle adequately the return of its nationals. *See Designation of Nicaragua Under Temporary Protected Status*, 64 FR 526 (Jan. 5, 1999). Since its initial designation in 1999, TPS for Nicaragua was extended 13 consecutive times (for periods of 12 or 18 months at a time) under the same statutory basis of

environmental disaster. The last such extension was due to expire on January 5, 2018.¹

Following the statutorily required review of the country conditions, former Acting Secretary Elaine C. Duke announced the termination of TPS for Nicaragua, with an effective date of January 5, 2019. *See Termination of the Designation of Nicaragua for Temporary Protected Status*, 82 FR 59636 (Dec. 15, 2017); *see also* INA secs. 244(b)(3)(A) and (B); 8 U.S.C. 1254a(b)(3)(A) and (B). The termination decision was the subject of litigation and court orders, and, as a result, the termination did not take effect. In compliance with court orders, DHS published periodic notices to continue TPS and extend the validity of TPS-related documentation previously issued to beneficiaries under the TPS designation for Nicaragua.²

Finally, on June 21, 2023, DHS published a FRN reconsidering and rescinding the prior administration's termination of Nicaragua TPS. The rescission was effective June 9, 2023, and the new 18-month extension of TPS for Nicaragua began on January 6, 2024, and will remain in effect through July 5, 2025.³

Secretary's Authority To Terminate the Designation of Nicaragua for TPS

At least 60 days before the expiration of a foreign state's TPS designation or extension, the Secretary, after consultation with appropriate U.S. Government agencies, must review the conditions in the foreign state designated for TPS to determine whether the country continues to meet the conditions required for the TPS designation. *See* INA sec. 244(b)(3)(A), 8 U.S.C. 1254a(b)(3)(A). If the Secretary determines that the foreign state no longer meets the conditions for the TPS designation, the Secretary must terminate the designation. *See* INA sec. 244(b)(3)(B), 8 U.S.C. 1254a(b)(3)(B). The termination may not take effect earlier than 60 days after the date the

¹ Extension of the Designation of Nicaragua for Temporary Protected Status, 81 FR 30325 (July 6, 2016).

² 83 FR 54764 (Oct. 31, 2018); 84 FR 7103 (Mar. 1, 2019); 84 FR 20647 (May 10, 2019) (correction notice issued at 84 FR 23578 (May 22, 2019)); 84 FR 59403 (Nov. 4, 2019); 85 FR 79208 (Dec. 9, 2020); 86 FR 50725 (Sept. 10, 2021) (correction notice issued at 86 FR 52694 (Sept. 22, 2021)); and 87 FR 68717 (Nov. 16, 2022).

³ Reconsideration and Rescission of Termination of the Designation of Nicaragua for Temporary Protected Status; Extension of the Temporary Protected Status Designation for Nicaragua, 88 FR 40294 (June 21, 2023); *see also* Extension of Re-Registration Periods for Extensions of the Temporary Protected Status Designations of El Salvador, Haiti, Honduras, Nepal, Nicaragua, and Sudan, 88 FR 86665 (Dec. 14, 2023).

Federal Register notice (FRN) of termination is published, or if later, the expiration of the most recent previous extension of the country designation. *See id.* The Secretary may determine the appropriate effective date of the termination and expiration of any TPS-related documentation, such as EADs, issued or renewed after the effective date of termination. *See id.*; *see also* INA sec. 244(d)(3), 8 U.S.C. 1254a(d)(3) (providing the Secretary the discretionary “option” to allow for a certain “orderly transition” period if she determines it to be appropriate).

Reasons for the Secretary’s Termination of the TPS designation for Nicaragua

Consistent with INA section 244(b)(3)(A), 8 U.S.C. 1254a(b)(3)(A), after consulting with appropriate U.S. Government agencies, the Secretary reviewed country conditions in Nicaragua and considered whether Nicaragua no longer continues to meet the conditions for designation, including whether there is “substantial, but temporary, disruption in living conditions in the area affected” by the environmental disaster and whether Nicaragua continues to be “unable, temporarily, to handle adequately the return” of its nationals, INA 244(b)(1)(B), 1254a(b)(1)(B).⁴ Overall, certain conditions for the TPS designation of Nicaragua may continue; however, there are notable improvements that allow Nicaragua to adequately handle the return of its nationals.

Based on the Department’s review, the Secretary has determined the conditions supporting Nicaragua’s January 5, 1999 designation for TPS on the basis of environmental disaster due to Hurricane Mitch are no longer met. While Hurricane Mitch was a sudden catastrophe that caused severe flooding and associated damage⁵ leading to Nicaragua’s TPS designation, the conditions resulting from Hurricane Mitch no longer cause a substantial, but temporary, disruption in living conditions in the area affected, and

Nicaragua is no longer unable, temporarily, to adequately handle the return of its nationals. Nicaragua has made significant progress recovering from the hurricane’s destruction with the help of the international community⁶ and is now a growing tourism, ecotourism, agriculture, and renewable energy leader.⁷

Since the original 1999 TPS designation, Nicaragua has seen improvements in its infrastructure with projects focusing on road construction, school infrastructure, and health access. Nicaragua has successfully completed projects on roads (U.S. \$131.8 million), education (U.S. \$69 million), and land administration (U.S. \$50 million).⁸ Nicaragua has constructed key bridges to mitigate flooding, as well as developed over 200 km (approximately 124 miles) of roads.⁹ Decades-long projects have improved land administration and management, and further investment projects have helped with housing, food insecurity, and restoring the health sector.¹⁰

Nicaragua has become a worldwide tourist destination, while also promoting sustainability and revitalizing local communities.¹¹ Technological innovation is empowering local farmers and fishers, making the agriculture industry more competitive and profitable. In its 2024 investment climate statement for Nicaragua, the U.S. Department of State reported, “. . . Nicaragua continues to show stable macroeconomic fundamentals, including a record-high \$5 billion in foreign reserves, a sustainable debt load, and a well-capitalized banking sector.”¹²

⁶ ProVentum Consortium, Learning from Recovery after Hurricane Mitch: Experience from Nicaragua (Jan. 26, 2010), available at: https://www.preventionweb.net/files/12455_LearningfromMitchsummary1.pdf (last visited Apr. 14, 2025).

⁷ The Business Magnate, Nicaragua’s Lucrative Industries: Driving Economic Growth and Development, available at: <https://thebusinessmagnate.com/nicaraguas-lucrative-industries-driving-economic-growth-and-development/> (last visited Apr. 14, 2025).

⁸ World Bank Group, The World Bank in Nicaragua: Overview, Oct. 8, 2024, available at: <https://www.worldbank.org/en/country/nicaragua/overview> (last visited Apr. 14, 2025).

⁹ World Bank Group, The World Bank in Nicaragua: Overview, Oct. 8, 2024, available at: <https://www.worldbank.org/en/country/nicaragua/overview> (last visited Apr. 14, 2025).

¹⁰ World Bank Group, The World Bank in Nicaragua: Overview, Oct. 8, 2024, available at: <https://www.worldbank.org/en/country/nicaragua/overview> (last visited Apr. 14, 2025).

¹¹ Outlook Travel, Nicaragua: Tourism Insights, Oct. 4, 2024, available at: <https://www.outlooktravelmag.com/travel-guides/central-america/nicaragua/nicaragua-tourism-insights> (last visited Apr. 14, 2024).

¹² U.S. Department of State, 2024 Investment Climate Statements: Nicaragua, 2024, available at:

Additionally, Nicaragua has been regularly accepting the return of its nationals with final removal orders over the last five years.¹³ The Secretary has determined that Nicaragua’s recent ability to accept the return of its nationals has been and continues to be at least “adequate.”¹⁴

DHS estimates that there are approximately 4,000 nationals of Nicaragua (and aliens having no nationality who last habitually resided in Nicaragua) who hold TPS under Nicaragua’s designation.¹⁵

Effective Date of Termination of the Designation

The TPS statute provides that the termination of a country’s TPS designation may not be effective earlier than 60 days after the FRN is published or, if later, the expiration of the most recent previous extension. *See* INA sec. 244(b)(3)(B), 8 U.S.C. 1254a(b)(3)(B).

Although the statute authorizes the Secretary, at her discretionary option, to allow for an extended “orderly transition” period with respect to the expiration of any TPS-related documentation, such as EADs, the Secretary has determined a 60-day transition period is sufficient. A sixty-day orderly period of transition is consistent with the precedent of previous TPS country terminations and makes clear that the United States is committed to clarity and consistency. *See* INA sec. 244(d)(3), 8 U.S.C. 1254a(d)(3). Accordingly, the termination of the Nicaragua TPS

<https://www.state.gov/reports/2024-investment-climate-statements/nicaragua/> (last visited Mar. 19, 2025).

¹³ Divergentes, Ortega-Murillo Regime: A Willing and Efficient Partner for U.S. Deportation Policies, Mar. 6, 2025, available at: [https://www.divergentes.com/ortega-murillo-regime-a-willing-and-efficient-partner-for-u-s-deportation-policies/#~:text=Unlike%20its%20dictatorial%20counterparts%E2%80%9494Cuba,of%20Homeland%20Security%20\(DHS\)](https://www.divergentes.com/ortega-murillo-regime-a-willing-and-efficient-partner-for-u-s-deportation-policies/#~:text=Unlike%20its%20dictatorial%20counterparts%E2%80%9494Cuba,of%20Homeland%20Security%20(DHS)) (last visited June 5, 2025).

¹⁴ The INA does not define “adequately.” Certain “[d]ictionaries define ‘adequate’ as ‘sufficient for a specific need or requirement,’ ‘Adequate, Merriam-Webster’s Collegiate Dictionary, or as either: (1) ‘[f]ully satisfying what is required; quite sufficient, suitable, or acceptable in quality or quantity’; or (2) ‘[s]atisfactory, but worthy of no stronger praise or recommendation; barely reaching an acceptable standard; just good enough.’” Adequate, Oxford English Dictionary (3d ed. 2011).” *Booker v. Sec’y, Fla. Dep’t of Corr.*, 22 F.4th 954, 961 (11th Cir. 2022) (Lagoa, J., specially concurring) (URL citation omitted).

¹⁵ As of March 11, 2025, approximately 1,100 of these nationals of Nicaragua (and aliens having no nationality who last habitually resided in Nicaragua) are also approved as Lawful Permanent Residents. Data queried by Department of Homeland Security, U.S. Citizenship and Immigration Services, Office of Performance and Quality March 2025.

⁴ *See also* E.O. 14159, *Protecting the American People Against Invasion*, sec. 16(b), 90 FR 8443, 8446 (Jan. 20, 2025) (directing that the Secretary should “ensur[e] that designations of Temporary Protected Status are consistent with the provisions of section 244 of the INA (8 U.S.C. 1254a), and that such designations are appropriately limited in scope and made for only so long as may be necessary to fulfill the textual requirements of that statute”).

⁵ National Environmental Satellite, Data, and Information Service, 25 Years Later: Looking Back at the October Monster Named Mitch (Oct. 27, 2023), available at: <https://www.nesdis.noaa.gov/news/25-years-later-looking-back-the-october-monster-named-mitch> (last visited Apr. 14, 2025).

designation will be effective 60 days from this notice's publication date.¹⁶

However, DHS recognizes that Nicaragua TPS beneficiaries continue to be employment authorized during the 60-day transition period.¹⁷ Accordingly, through this FRN, DHS automatically extends the validity of certain EADs previously issued under the TPS designation of Nicaragua through September 8, 2025. Therefore, as proof of continued employment authorization through September 8, 2025, TPS beneficiaries can show their EADs that have the notation A–12 or C–19 under Category and a “Card Expires” date of January 5, 2018, January 5, 2019, April 2, 2019, January 2, 2020, January 4, 2021, October 4, 2021, December 31, 2022, June 30, 2024, and July 5, 2025.

The Secretary has considered putative reliance interests in the Nicaragua TPS designation, especially when considering whether to allow for an additional transition period similar to that allowed under certain previous TPS terminations. Temporary Protected Status, as the name itself makes clear, is an inherently temporary status. TPS designations are time-limited and must be periodically reviewed. *See* INA sec. 244(b)(3), 8 U.S.C. 1254a(b)(3). TPS notices clearly notify aliens of the designations' expiration dates, and whether to allow for an orderly transition period is left to the Secretary's unfettered discretion. *See* INA sec. 244(b)(3), (d)(3); 8 U.S.C. 1254a(b)(3), (d)(3). The statute inherently contemplates advance notice of a termination by requiring timely publication of the Secretary's determination and delaying the effective date of the termination by at least 60 days after publication of a **Federal Register** notice of the termination or, if later, the existing expiration date. *See* INA sec. 244(b)(3), (d)(3); 8 U.S.C. 1254a(b)(3), (d)(3).

Notice of the Termination of the TPS Designation of Nicaragua

By the authority vested in me as Secretary under INA section 244(b)(3), 8 U.S.C. 1254a(b)(3), I have reviewed, in consultation with the appropriate U.S. Government agencies, conditions in

Nicaragua, in particular (a) whether there continues to be a substantial, but temporary, disruption of living conditions in the area affected resulting from the environmental disaster; and (b) whether Nicaragua continues to be “unable, temporarily, to handle adequately the return of its nationals. Based on my review, I have determined that Nicaragua no longer continues to meet the conditions for Temporary Protected Status (TPS) under INA section 244(b)(1)(B), 8 U.S.C. 1254a(b)(1)(B).

Accordingly, I order as follows:

(1) Pursuant to INA section 244(b)(3)(B), 8 U.S.C. 1254a(b)(1)(B), and considering INA section 244(d)(3), 8 U.S.C. 1254a(d)(3), the designation of Nicaragua for TPS is terminated effective at 11:59 p.m., local time, on September 8, 2025.

(2) Information concerning the termination of TPS for nationals of Nicaragua (and aliens having no nationality who last habitually resided in Nicaragua) will be available at local USCIS office upon publication of this notice and through the USCIS Contact Center at 1–800–375–5283. This information will be published on the USCIS website at www.uscis.gov.

Kristi Noem,

Secretary of Homeland Security.

[FR Doc. 2025–12688 Filed 7–7–25; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF HOMELAND SECURITY

U.S. Citizenship and Immigration Services

[CIS No. 2818–25; DHS Docket No. USCIS–2014–0007]

RIN 1615–ZB75

Termination of the Designation of Honduras for Temporary Protected Status

AGENCY: U.S. Citizenship and Immigration Services (USCIS), Department of Homeland Security (DHS).

ACTION: Notice.

SUMMARY: Through this notice, the Department of Homeland Security (DHS) announces that the Secretary of Homeland Security (Secretary) is terminating the designation of Honduras for Temporary Protected Status (TPS). The designation of Honduras is set to expire on July 5, 2025. After reviewing country conditions and consulting with appropriate U.S. Government agencies, the Secretary has determined that

conditions in Honduras no longer support its designation for TPS. The Secretary, therefore, is terminating the TPS designation of Honduras as required by statute. This termination is effective September 8, 2025. After September 8, 2025, nationals of Honduras (and aliens having no nationality who last habitually resided in Honduras) who have been granted TPS under Honduras' designation will no longer have TPS.

DATES: The designation of Honduras for TPS is terminated effective at 11:59 p.m., local time, on September 8, 2025.

FOR FURTHER INFORMATION CONTACT: Humanitarian Affairs Division, Office of Policy and Strategy, U.S. Citizenship and Immigration Services, Department of Homeland Security, (240) 721–3000.

SUPPLEMENTARY INFORMATION:

Table of Abbreviations

CFR—Code of Federal Regulations
DHS—U.S. Department of Homeland Security
EAD—Employment Authorization Document
FR—Federal Register
FRN—Federal Register Notice
Government—U.S. Government
INA—Immigration and Nationality Act
Secretary—Secretary of Homeland Security
TPS—Temporary Protected Status
USCIS—U.S. Citizenship and Immigration Services
U.S.C.—United States Code

What is Temporary Protected Status (TPS)?

The Immigration and Nationality Act (INA) authorizes the Secretary of Homeland Security, after consultation with appropriate agencies of the U.S. Government, to designate a foreign state (or part thereof) for TPS if the Secretary determines that certain country conditions exist. *See* INA sec. 244(b)(1), 8 U.S.C. 1254a(b)(1). The Secretary, in her discretion, may then grant TPS to eligible nationals of that foreign state (or individuals having no nationality who last habitually resided in the designated foreign state). *See* INA sec. 244(a)(1)(A), 8 U.S.C. 1254a(a)(1)(A).

At least 60 days before the expiration of a foreign state's TPS designation or extension, the Secretary, after consultation with appropriate U.S. Government agencies, must review the conditions in the foreign state designated for TPS to determine whether they continue to meet the conditions required for the TPS designation. *See* INA sec. 244(b)(3)(A), 8 U.S.C. 1254a(b)(3)(A). If the Secretary determines that the conditions in the foreign state continue to meet the specific statutory criteria for TPS designation, TPS will be extended for an

¹⁶ *See* 8 CFR 244.19 (“Upon the termination of designation of a foreign state, those nationals afforded temporary Protected Status shall, upon the sixtieth (60th) day after the date notice of termination is published in the **Federal Register**, or on the last day of the most recent extension of designation by the [Secretary of Homeland Security], automatically and without further notice or right of appeal, lose Temporary Protected Status in the United States. Such termination of a foreign state's designation is not subject to appeal.”).

¹⁷ *See* INA 244(a)(1)(B), 8 U.S.C. 1254a(a)(1)(B); *see also* 8 CFR 244.13(b).

additional period of 6 months or, in the Secretary's discretion, 12 or 18 months. *See* INA sec. 244(b)(3)(A), (C), 8 U.S.C. 1254a(b)(3)(A), (C). If the Secretary determines that the foreign state no longer meets the conditions for TPS designation, the Secretary must terminate the designation. *See* INA sec. 244(b)(3)(B), 8 U.S.C. 1254a(b)(3)(B). There is no judicial review of "any determination of the [Secretary] with respect to the designation, or termination or extension of a designation, of a foreign state" for TPS. INA sec. 244(b)(5)(A), 8 U.S.C. 1254a(b)(5)(A).

TPS is a temporary immigration benefit granted to eligible nationals of a country designated for TPS under the INA, or to eligible aliens without nationality who last habitually resided in the designated country. During the TPS designation period, TPS beneficiaries are eligible to remain in the United States, may not be removed, and are authorized to work and obtain an Employment Authorization Document (EAD) so long as they continue to meet the requirements of TPS. TPS beneficiaries may also apply for and be granted travel authorization as a matter of discretion. The granting of TPS does not result in or lead to lawful permanent resident status or any other immigration status. To qualify for TPS, beneficiaries must meet the eligibility standards at INA section 244(c)(2), 8 U.S.C. 1254a(c)(2). When the Secretary terminates a country's TPS designation, beneficiaries return to the same immigration status or category that they maintained before TPS, if any (unless that status or category has since expired or been terminated), or any other lawfully obtained immigration status or category they received while registered for TPS, as long as it is still valid on the date TPS terminates.

Designation of Honduras for TPS

Honduras was initially designated on January 5, 1999, on the basis of an environmental disaster that resulted in substantial, but temporary, disruption of living conditions, at the request of the Honduran government, and because Honduras was unable, temporarily, to handle adequately the return of its nationals. *See Designation of Honduras Under Temporary Protected Status*, 64 FR 524 (Jan. 5, 1999). The designation had been continuously extended since its initial designation until November 6, 2017, when former Acting DHS Secretary Elaine C. Duke announced that she had not made a decision on Honduras's TPS designation by the statutory deadline, resulting in an

automatic 6-month extension of the designation, through July 5, 2018.¹

In 2018, DHS announced the termination of TPS for Honduras² to be effective January 5, 2020, finding that the disruption of living conditions from Hurricane Mitch had decreased and were no longer substantial.³ However, in response to litigation, DHS announced on May 10, 2019, that it would not implement or enforce the decision to terminate the TPS designation for Honduras. DHS instead continued the validity of TPS-related documentation for Honduran beneficiaries through January 5, 2020.⁴ On November 4, 2019, to comply with ongoing litigation, DHS further continued and extended TPS-related documentation for Hondurans through January 4, 2021.⁵

While litigation continued, DHS published three additional **Federal Register** notices (FRNs in 2020,⁶ 2021,⁷

¹ *See* DHS Press Release, *Acting Secretary Elaine Duke Announcement on Temporary Protected Status for Nicaragua and Honduras*, available at: <https://www.dhs.gov/archive/news/2017/11/06/acting-secretary-elaine-duke-announcement-temporary-protected-status-nicaragua-and-honduras>; *see also* *Extension of the Designation of Honduras for Temporary Protected Status*, 82 FR 59630 (Dec. 15, 2017).

² *See* DHS Press Release, *Secretary of Homeland Security Kirstjen M. Nielsen Announcement on Temporary Protected Status for Honduras* (May 4, 2018), available at: <https://www.dhs.gov/archive/news/2018/05/04/secretary-homeland-security-kirstjen-m-nielsen-announcement-temporary-protected>.

³ *Termination of the Designation of Honduras for Temporary Protected Status*, 83 FR 26074 (June 5, 2018).

⁴ Pursuant to an order to stay proceedings in *Bhattarai v. Nielsen*, No. 19-cv-00731, pending resolution of related claims being litigated before the Ninth Circuit Court of Appeals in *Ramos v. Nielsen*, No. 18-16981, DHS published a notice that it will not implement or enforce the decision to terminate TPS for Honduras. TPS beneficiaries from Honduras retained TPS, provided that an alien's TPS status is not withdrawn because of ineligibility. *See Bhattarai v. Nielsen*, No. 19-cv-00731 (N.D. Cal. Mar. 12, 2019) and *Ramos v. Nielsen*, 326 F. Supp. 3d 1075 (N.D. Cal. 2018). *See Continuation of Documentation for Beneficiaries of Temporary Protected Status Designations for Nepal and Honduras*, 84 FR 20647 (May 10, 2019).

⁵ To comply with the preliminary injunctions issued in *Ramos v. Nielsen* and *Saget v. Trump* and the order to stay proceedings in *Bhattarai v. Nielsen*. *See Saget v. Trump*, 375 F. Supp. 3d 280 (E.D.N.Y. 2019); *Continuation of Documentation for Beneficiaries of Temporary Protected Status Designations for El Salvador, Haiti, Honduras, Nepal, Nicaragua, and Sudan*, 84 FR 59403 (Nov. 4, 2019).

⁶ On December 9, 2020, DHS automatically extended the validity of TPS-related documentation for nine months through October 4, 2021, for Honduran beneficiaries. *See Continuation of Documentation for Beneficiaries of Temporary Protected Status Designations for El Salvador, Haiti, Nicaragua, Sudan, Honduras, and Nepal*, 85 FR 79208.

⁷ On September 10, 2021, DHS published notice for a fifteen-month extension of TPS for aliens from Honduras until December 31, 2022, while the

and 2022⁸) extending the validity of TPS and TPS-related documentation for Honduran beneficiaries.

Finally, on June 21, 2023, DHS published a FRN reconsidering and rescinding the prior administration's termination of Honduras TPS. The rescission was effective June 9, 2023, and the new 18-month extension of TPS for Honduras began on January 6, 2024, and will remain in effect through July 5, 2025.⁹

Secretary's Authority To Terminate the Designation of Honduras for TPS

At least 60 days before the expiration of a foreign state's TPS designation or extension, the Secretary, after consultation with appropriate U.S. Government agencies, must review the conditions in the foreign state designated for TPS to determine whether the country continues to meet the conditions required for the TPS designation. *See* INA sec. 244(b)(3)(A), 8 U.S.C. 1254a(b)(3)(A). If the Secretary determines that the foreign state no longer meets the conditions for the TPS designation, the Secretary must terminate the designation. *See* INA sec. 244(b)(3)(B), 8 U.S.C. 1254a(b)(3)(B). The termination may not take effect earlier than 60 days after the date the **Federal Register** notice (FRN) of termination is published, or if later, the expiration of the most recent previous extension of the country designation. *See id.* The Secretary may determine the appropriate effective date of the termination and expiration of any TPS-related documentation, such as EADs. *See id.*; *see also* INA sec. 244(d)(3), 8 U.S.C. 1254a(d)(3) (providing the Secretary the discretionary "option" to allow for a certain "orderly transition" period if she determines it to be appropriate).

preliminary injunction in *Ramos* and the *Bhattarai* orders remain in effect. Extensions were previously set to expire on October 4, 2021. *See Continuation of Documentation for Beneficiaries of Temporary Protected Status Designations for El Salvador, Haiti, Nicaragua, Sudan, Honduras, and Nepal*, 86 FR 50725.

⁸ On November 16, 2022, DHS published a FRN extending the validity period of TPS for covered aliens from several countries, including Honduras, June 30, 2024. *See Continuation of Documentation for Beneficiaries of Temporary Protected Status Designations for El Salvador, Haiti, Nicaragua, Sudan, Honduras, and Nepal*, 87 FR 68717.

⁹ *Reconsideration and Rescission of Termination of the Designation of Honduras for Temporary Protected Status; Extension of the Temporary Protected Status Designation for Honduras*, 88 FR 40304 (June 21, 2023); *see also* *Extension of Re-Registration Periods for Extensions of the Temporary Protected Status Designations of El Salvador, Haiti, Honduras, Nepal, Nicaragua, and Sudan*, 88 FR 86665 (Dec. 14, 2023).

Reasons for the Secretary's Termination of the TPS Designation for Honduras

Consistent with INA section 244(b)(3)(A), 8 U.S.C. 1254a(b)(3)(A), after consulting with appropriate U.S. Government agencies, the Secretary reviewed country conditions in Honduras and considered whether the conditions for the designation of Honduras continue, including whether there is “substantial, but temporary, disruption in living conditions in the area affected” by the environmental disaster and whether Honduras continues to be “unable, temporarily, to handle adequately the return” of its nationals.¹⁰

Based on her review and consultation with the Department of State, the Secretary has determined the conditions supporting Honduras' January 5, 1999 designation for TPS on the basis of environmental disaster due to Hurricane Mitch are no longer met. While Hurricane Mitch was a sudden catastrophe that caused severe flooding and associated damage,¹¹ leading to Honduras' TPS designation, the conditions resulting from Hurricane Mitch no longer cause a “substantial, but temporary, disruption in living conditions in the area affected,” and Honduras is no longer “unable, temporarily, to handle adequately the return of its nationals.”¹² Honduras has made significant progress recovering from the hurricane's destruction and is now a popular tourism¹³ and real estate investment destination.¹⁴

Honduras has witnessed significant changes in the 26 years since Hurricane Mitch's destruction. Reports indicate that 95.7% of Hondurans have access to a basic water source, 83.8% can access basic sanitation, and 93.2% have access

to electricity.¹⁵ The World Bank has been helping Honduras address its most pressing needs and development challenges, including supporting the Honduran government's emergency response and post disaster reconstruction efforts.¹⁶ With international assistance, Honduras has strengthened its disaster management capacity at the municipal and national levels and improved its capacity to promptly and effectively respond to emergencies.¹⁷ Following disaster management improvements, 18 municipalities adopted risk management and emergency plans, and 38 cities improved their livability, sustainability, and capacity, benefiting 1.3 million people.¹⁸

Further, new infrastructure projects are set to transform Honduras and create jobs. Foreign direct investment in Honduras has jumped to 1.8 billion USD in 2023, a notable rise from the previous year.¹⁹ Honduras is investing in urban infrastructure, focusing on improving informal settlements and expanding land supply.²⁰

As evidence of Honduras' readiness to welcome back its nationals, in January 2025, the Honduran government enacted a plan called “Brother, Come Home,” an initiative to support Hondurans deported from the United States that reportedly includes providing monetary and food support, along with access to employment programs.²¹

Additionally, Honduras has been regularly accepting the return of its nationals with final removal orders over the last five years.²² The Secretary has

determined that Honduras' recent ability to accept the return of its nationals has been and continues to be at least “adequate.”²³

DHS estimates that there are approximately 72,000 nationals of Honduras (and aliens having no nationality who last habitually resided in Honduras) who hold TPS under Honduras' designation.²⁴

Effective Date of Termination of the Designation

The TPS statute provides that the termination of a country's TPS designation may not be effective earlier than 60 days after the FRN is published or, if later, the expiration of the most recent previous extension. *See* INA sec. 244(b)(3)(B), 8 U.S.C. 1254a(b)(3)(B).

Although the statute authorizes the Secretary, at her discretionary option, to allow for an extended “orderly transition” period with respect to the expiration of any TPS-related documentation, such as EADs, the Secretary has determined in her discretion that a 60-day transition period is sufficient. A sixty-day orderly period of transition is consistent with the precedent of previous TPS country terminations and makes clear that the United States is committed to clarity and consistency. *See* INA sec. 244(d)(3), 8 U.S.C. 1254a(d)(3). Accordingly, the termination of the Honduras TPS designation will be effective 60 days from this notice's publication date.²⁵

referencing the Honduran government's “Hermano, Hermana, Vuelve a Casa” program, which includes a financial repatriation bonus, food vouchers, and assistance in finding employment, DHS press release, May 19, 2025, available at <https://www.dhs.gov/news/2025/05/19/project-homecoming-charter-flight-brings-self-deporters-honduras-colombia> (last accessed June 3, 2025).

²³ The INA does not define “adequately.” Certain “[d]ictionaries define ‘adequate’ as ‘sufficient for a specific need or requirement,’ Adequate, Merriam-Webster's Collegiate Dictionary, or as either: (1) ‘[f]ully satisfying what is required; quite sufficient, suitable, or acceptable in quality or quantity’; or (2) ‘[s]atisfactory, but worthy of no stronger praise or recommendation; barely reaching an acceptable standard; just good enough.’ Adequate, Oxford English Dictionary (3d ed. 2011).” *Booker v. Sec'y, Fla. Dep't of Corr.*, 22 F.4th 954, 961 (11th Cir. 2022) (Lagoa, J., specially concurring) (URL citation omitted).

²⁴ As of April 7, 2025, approximately 21,000 of these nationals of Honduras (and aliens having no nationality who last habitually resided in Honduras) have been granted lawful permanent resident status. Data queried by Department of Homeland Security, U.S. Citizenship and Immigration Services, Office of Performance and Quality April 2025.

²⁵ *See* 8 CFR 244.19 (“Upon the termination of designation of a foreign state, those nationals afforded temporary Protected Status shall, upon the sixtieth (60th) day after the date notice of termination is published in the **Federal Register**, or on the last day of the most recent extension of designation by the [Secretary of Homeland

¹⁰ *See* E.O. 14159, *Protecting the American People Against Invasion*, sec. 16(b), 90 FR 8443, 8446 (Jan. 20, 2025) (directing that the Secretary should “ensur[e] that designations of Temporary Protected Status are consistent with the provisions of section 244 of the INA (8 U.S.C. 1254a), and that such designations are appropriately limited in scope and made for only so long as may be necessary to fulfill the textual requirements of that statute”).

¹¹ National Environmental Satellite, Data, and Information Service, 25 Years Later: Looking Back at the October Monster Named Mitch (Oct. 27, 2023), available at: <https://www.nesdis.noaa.gov/news/25-years-later-looking-back-the-october-monster-named-mitch> (last visited Apr. 14, 2025).

¹² INA 244(b)(3)(A), 8 U.S.C. 1254a(b)(3)(A).

¹³ ReportLinker, Honduras Tourism Industry Outlook 2024–2028, available at: <https://www.reportlinker.com/clp/country/6226/726310> (last visited Apr. 14, 2025).

¹⁴ *Brevitas*, Why Honduras is Gaining Popularity for Real Estate Investment and Airbnb Rentals, Aug. 30, 2024, available at: <https://brevitas.com/articles/2024/8/why-honduras-is-gaining-popularity-for-real-estate-investment-and-airbnb-rentals> (last visited Apr. 14, 2025).

¹⁵ BTI Transformation Index, Honduras, 2024, available at: https://btiproject.org/fileadmin/api/content/en/downloads/reports/country_report_2024_HND.pdf (last visited Apr. 14, 2025).

¹⁶ BTI Transformation Index, Honduras, 2024, available at: https://btiproject.org/fileadmin/api/content/en/downloads/reports/country_report_2024_HND.pdf (last visited Apr. 14, 2025).

¹⁷ World Bank Group, Honduras: Overview, Oct. 7, 2024, available at: <https://www.worldbank.org/en/country/honduras/overview> (last visited Apr. 14, 2025).

¹⁸ World Bank Group, Honduras: Overview, Oct. 7, 2024, available at: <https://www.worldbank.org/en/country/honduras/overview> (last visited Apr. 14, 2025).

¹⁹ The Latin Investor, 14 strong forecasts for real estate in Honduras in 2025, Feb. 6, 2025, available at: <https://thelatininvestor.com/blogs/news/honduras-real-estate-forecasts> (last visited Apr. 14, 2025).

²⁰ The Latin Investor, 14 strong forecasts for real estate in Honduras in 2025, Feb. 6, 2025, available at: <https://thelatininvestor.com/blogs/news/honduras-real-estate-forecasts> (last visited Apr. 14, 2025).

²¹ The Tico Times, Honduras Prepares for Mass Deportations Under Trump, Jan. 26, 2025, available at: <https://ticotimes.net/2025/01/26/honduras-prepares-for-mass-deportations-under-trump> (last visited Apr. 14, 2025).

²² *See e.g.* “Project Homecoming Charter Flight Brings Self-Deporters to Honduras, Colombia”

However, DHS recognizes that Honduran TPS beneficiaries continue to be employment authorized during the 60-day transition period.²⁶ Accordingly, through this FRN, DHS automatically extends the validity of certain EADs previously issued under the TPS designation of Honduras through September 8, 2025. Therefore, as proof of continued employment authorization through September 8, 2025, TPS beneficiaries can show their EADs that have the notation A–12 or C–19 under Category and a “Card Expires” date of January 5, 2018, July 5, 2018, January 5, 2020, January 4, 2021, October 4, 2021, December 31, 2022, June 30, 2024, and July 5, 2025.

The Secretary has considered putative reliance interests in the Honduras TPS designation, especially when considering whether to allow for an additional transition period similar to that allowed under certain previous TPS terminations. Temporary Protected Status, as the name itself makes clear, is an inherently temporary status. TPS designations are time-limited and must be periodically reviewed. *See* INA sec. 244(b)(3), 8 U.S.C. 1254a(b)(3). TPS notices clearly notify aliens of the designations’ expiration dates, and whether to allow for an orderly transition period is left to the Secretary’s unfettered discretion. *See* INA sec. 244(b)(3), (d)(3); 8 U.S.C. 1254a(b)(3), (d)(3). The statute inherently contemplates advance notice of a termination by requiring timely publication of the Secretary’s determination and delaying the effective date of the termination by at least 60 days after publication of a **Federal Register** notice of the termination or, if later, the existing expiration date. *See* INA sec. 244(b)(3), (d)(3); 8 U.S.C. 1254a(b)(3), (d)(3).

Notice of the Termination of the TPS Designation of Honduras

By the authority vested in me as Secretary under INA section 244(b)(3), 8 U.S.C. 1254a(b)(3), I have reviewed, in consultation with the appropriate U.S. Government agencies, (a) conditions in Honduras, (b) whether there continues to be a substantial disruption of living conditions in the areas affected in Honduras; and (c) whether Honduras can handle adequately the return of its nationals. Based on my review, I have determined that Honduras no longer continues to meet the conditions for

Temporary Protected Status (TPS) under INA section 244(b)(1)(B), 8 U.S.C. 1254a(b)(1)(B).

Accordingly, I order as follows:

(1) Pursuant to INA section 244(b)(3)(B), 8 U.S.C. 1254a(b)(1)(B), and considering INA section 244(d)(3), 8 U.S.C. 1254a(d)(3), the designation of Honduras for TPS is terminated effective at 11:59 p.m., local time, on September 8, 2025.

(2) Information concerning the termination of TPS for nationals of Honduras (and aliens having no nationality who last habitually resided in Honduras) will be available at local USCIS office upon publication of this notice and through the USCIS Contact Center at 1–800–375–5283. This information will be published on the USCIS website at www.uscis.gov.

Kristi Noem,

Secretary of Homeland Security.

[FR Doc. 2025–12621 Filed 7–7–25; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[A2407–014–004–065516; #O2412–014–004–047181.1]

Intent To Amend the Resource Management Plan for the Miles City Field Office, Montana, and Prepare an Associated Environmental Assessment

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of intent.

SUMMARY: In compliance with the National Environmental Policy Act of 1969, as amended (NEPA), and the Federal Land Policy and Management Act of 1976, as amended, the Bureau of Land Management (BLM) Montana/Dakotas State Director intends to prepare a resource management plan (RMP) amendment with an associated environmental assessment (EA) for the Miles City Field Office. This notice announces the beginning of the scoping period to solicit public comments, identify issues, provide the planning criteria for public review, and solicit coal resource and development potential data.

DATES: To be considered, your comments concerning the scope of the analysis, potential alternatives, and identification of relevant information and studies must be received by August 7, 2025.

ADDRESSES: You may submit comments on issues, coal data, and planning

criteria related to the Miles City Field Office RMP amendment and associated EA by any of the following methods:

- **Website:** <https://eplanning.blm.gov/eplanning-ui/project/2039051/510>.
- **Mail:** Miles City Field Office, 111 Garryowen Road, Miles City, MT 59301.

Documents pertinent to this proposal may be examined online at <https://eplanning.blm.gov/eplanning-ui/project/2039051/510> and at the Miles City Field Office.

FOR FURTHER INFORMATION CONTACT: Irma Nansel, Planning and Environmental Coordinator, telephone: 406–233–3653; email: inansel@blm.gov; address: 111 Garryowen Road, Miles City, MT 59301. Contact Ms. Nansel to have your name added to our mailing list. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services for contacting Ms. Nansel. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States.

SUPPLEMENTARY INFORMATION: The BLM Montana/Dakotas State Director intends to prepare an RMP amendment with an associated EA for the Miles City Field Office RMP. This notice announces the beginning of the scoping process and seeks public input on issues and planning criteria and on coal resource and development potential. The RMP amendment may change the existing Miles City Field Office RMP. The planning area is located in Carter, Custer, Daniels, Dawson, Fallon, Garfield, McCone, Powder River, Prairie, Richland, Roosevelt, Rosebud, Sheridan, Treasure, Wibaux, and portions of Big Horn and Valley Counties, Montana, and encompasses approximately 2.7 million surface acres and 11.7 million acres of Federal coal mineral estate.

Purpose and Need

The purpose and need of this RMP amendment and EA is to evaluate coal allocations in the planning area and to determine the availability of lands acceptable for further consideration for coal leasing in accordance with Executive Order (“E.O.”) 14154, “Unleashing American Energy” (90 FR 8353, Jan. 29, 2025); E.O. 14156, “Declaring a National Energy Emergency” (90 FR 8433, Jan. 29, 2025); E.O. 14148, “Initial Rescissions of Harmful Executive Orders and Actions” (90 FR 8237, Jan. 28, 2025); and

Security], automatically and without further notice or right of appeal, lose Temporary Protected Status in the United States. Such termination of a foreign state’s designation is not subject to appeal.”).

²⁶ *See* INA 244(a)(1)(B), 8 U.S.C. 1254a(a)(1)(B); *see also* 8 CFR 244.13(b).

Secretary's Order 3418, which implements E.O. 14154.

Preliminary Alternatives

The RMP amendment/EA will include two alternatives varying the amount of BLM-administered Federal coal authorized to be available for leasing. The preliminary alternatives are the coal allocation decisions from: (1) The 2024 approved RMP amendment/record of decision making zero acres of BLM-administered Federal coal within the planning area available for further consideration for coal leasing (No Action/current decision); and (2) the 2021 approved RMP amendment/record of decision making 1,214,380 acres of BLM-administered Federal coal within the planning area available for further consideration for coal leasing (Proposed Action). The BLM welcomes comments on all preliminary alternatives as well as suggestions for additional alternatives.

Planning Criteria

The planning criteria guide the planning effort and lay the groundwork for effects analysis by identifying the preliminary issues and their analytical frameworks. Preliminary issues for the planning area were consistent in the 2021 and 2024 RMP amendments and are being considered as preliminary issues for this RMP amendment/EA. The BLM requests that industry, State, Tribal, and local governments, and the public interested in coal management in the planning areas provide the BLM relevant coal resource data that can help inform this project. Specifically, the BLM requests information on the development potential (e.g., location, quality, and quantity) of the BLM-administered Federal coal mineral estate, and on surface resource values related to multiple-use conflicts and the suitability of the planning area for coal development.

We will use this information to complete the RMP amendment and EA consistent with 43 CFR 3420.1–4 and to formulate alternatives that identify areas acceptable for further leasing consideration. We are requesting these data to ensure that these planning efforts have sufficient information and data to consider a reasonable range of resource uses, management options, and alternatives for managing BLM-administered Federal coal mineral estate. Proprietary data marked as confidential may be submitted in response to this call for coal and other resource information. Please submit all proprietary information to the appropriate Field Manager listed in **ADDRESSES** above. The BLM will treat submissions marked as “Confidential”

in accordance with the laws and regulations governing the confidentiality of such information. The planning criteria are available for public review and comment at the ePlanning website (see **ADDRESSES**).

Public Scoping Process

This notice of intent initiates the scoping period, call for coal data, and public review of the planning criteria, which guide the development and analysis of the RMP amendment and EA.

The BLM does not intend to hold any public meetings, in-person or virtual, during the public scoping period. Should the BLM later determine to hold public meetings, the specific date(s) and location(s) of any meeting will be announced at least 15 days in advance through local media, newspapers, ePlanning, and the BLM website.

Interdisciplinary Team

The BLM will use an interdisciplinary approach to develop the plan in order to consider the variety of resource issues and concerns identified. Specialists with expertise in the following disciplines will be involved in this planning effort: air resources, planning, rangeland management, minerals and geology, outdoor recreation, archaeology, paleontology, wildlife and fisheries, lands and realty, hydrology, soils, and economics.

Additional Information

The BLM will utilize and coordinate the NEPA and land use planning processes for this planning effort to help support compliance with applicable procedural requirements under the Endangered Species Act (16 U.S.C. 1536) and section 106 of the National Historic Preservation Act (54 U.S.C. 306108). The information about historic and cultural resources and threatened and endangered species within the area potentially affected by the proposed plan will assist the BLM in identifying and evaluating impacts to such resources.

The BLM will consult with federally recognized Tribes on a government-to-government basis in accordance with E.O. 13175, BLM MS 1780, and other Departmental policies. Tribal concerns, including impacts on Indian trust assets and potential impacts to cultural resources, will be given due consideration. Federal, State, and local agencies, along with federally recognized Tribes and other stakeholders that may be interested in or affected by the proposed Miles City RMP amendment that the BLM is

evaluating, are invited to participate in the scoping process.

Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

(Authority: 43 CFR 46.435 and 43 CFR 1610.2)

Sonya I. Germann,
State Director.

[FR Doc. 2025–12673 Filed 7–7–25; 8:45 am]

BILLING CODE 4331–20–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[A2407–014–004–065516; #O2412–014–004–047181.1]

Intent To Amend the Resource Management Plan for the Buffalo Field Office, Wyoming, and Prepare an Associated Environmental Assessment

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of intent.

SUMMARY: In compliance with the National Environmental Policy Act of 1969, as amended (NEPA), and the Federal Land Policy and Management Act of 1976, as amended, the Bureau of Land Management (BLM) Wyoming State Director intends to prepare a resource management plan (RMP) amendment with an associated environmental assessment (EA) for the Buffalo Field Office. This notice announces the beginning of the scoping period to solicit public comments, identify issues, provide the planning criteria for public review, and solicit coal resource and development potential data.

DATES: To be considered, your comments concerning the scope of the analysis, potential alternatives, and identification of relevant information and studies must be received by August 7, 2025.

ADDRESSES: You may submit comments on issues, coal data, and planning criteria related to the Buffalo Field Office RMP amendment and associated EA by any of the following methods:

- **Website:** <https://eplanning.blm.gov/eplanning-ui/project/2039033/510>.

• *Mail:* Buffalo Field Office, 1425 Fort Street, Buffalo, WY 82834.

Documents pertinent to this proposal may be examined online at <https://eplanning.blm.gov/eplanning-ui/project/2039033/510> and at the Buffalo Field Office.

FOR FURTHER INFORMATION CONTACT:

Thomas Bills, Planning and Environmental Coordinator, telephone: (307) 684-1133; email: tbills@blm.gov; address: 1425 Fort Street, Buffalo, WY 82834. Contact Mr. Bills to have your name added to our mailing list. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services for contacting Mr. Bills. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States.

SUPPLEMENTARY INFORMATION: The BLM Wyoming State Director intends to prepare an RMP amendment with an associated EA for the Buffalo Field Office RMP. This notice announces the beginning of the scoping process and seeks public input on issues and planning criteria and on coal resource and development potential. The RMP amendment may change the existing Buffalo Field Office RMP. The planning area is located within Campbell County, Wyoming, and encompasses approximately 496,314 surface acres and 481,000 acres of Federal coal mineral estate.

Purpose and Need

The purpose and need of this RMP amendment and EA is to evaluate coal allocations in the planning area and to determine the availability of lands acceptable for further consideration for coal leasing in accordance with Executive Order (“E.O.”) 14154, “Unleashing American Energy” (90 FR 8353, Jan. 29, 2025); E.O. 14156, “Declaring a National Energy Emergency” (90 FR 8433, Jan. 29, 2025); E.O. 14148, “Initial Rescissions of Harmful Executive Orders and Actions” (90 FR 8237, Jan. 28, 2025); and Secretary’s Order 3418, which implements E.O. 14154.

Preliminary Alternatives

The RMP amendment/EA will include two alternatives varying the amount of BLM-administered Federal coal authorized to be available for leasing. The preliminary alternatives are the coal allocation decisions from: (1) The 2024 approved RMP amendment/record of decision making zero acres of BLM-

administered Federal coal within the planning area available for further consideration for coal leasing (No Action/current decision); and (2) The 2019 approved RMP amendment/record of decision making 481,000 acres of BLM-administered Federal coal within the planning area available for further consideration of leasing (Proposed Action). The BLM welcomes comments on all preliminary alternatives as well as suggestions for additional alternatives.

Planning Criteria

The planning criteria guide the planning effort and lay the groundwork for effects analysis by identifying the preliminary issues and their analytical frameworks. Preliminary issues for the planning area were consistent in the 2019 and 2024 RMP amendments and are being considered as preliminary issues for this RMP amendment/EA. The BLM requests that industry, State, Tribal, and local governments, and the public interested in coal management in the planning areas provide the BLM relevant coal resource data that can help inform this project. Specifically, the BLM requests information on the development potential (e.g., location, quality, and quantity) of the BLM-administered Federal coal mineral estate, and on surface resource values related to multiple use conflicts and the suitability of the planning area for coal development.

We will use this information to complete the RMP amendment and EA consistent with 43 CFR 3420.1-4 and to formulate alternatives that identify areas acceptable for further leasing consideration. We are requesting these data to ensure that these planning efforts have sufficient information and data to consider a reasonable range of resource uses, management options, and alternatives for managing BLM-administered Federal coal mineral estate. Proprietary data marked as confidential may be submitted in response to this call for coal and other resource information. Please submit all proprietary information to the appropriate Field Manager listed in **ADDRESSES** above. The BLM will treat submissions marked as “Confidential” in accordance with the laws and regulations governing the confidentiality of such information. The planning criteria are available for public review and comment at the ePlanning website (see **ADDRESSES**).

Public Scoping Process

This notice of intent initiates the scoping period, call for coal data, and public review of the planning criteria, which guide the development and

analysis of the RMP amendment and EA.

The BLM does not intend to hold any public meetings, in-person or virtual, during the public scoping period. Should the BLM later determine to hold public meetings, the specific date(s) and location(s) of any meeting will be announced at least 15 days in advance through local media, newspapers, ePlanning project page, and the BLM website.

Interdisciplinary Team

The BLM will use an interdisciplinary approach to develop the plan in order to consider the variety of resource issues and concerns identified. Specialists with expertise in the following disciplines will be involved in this planning effort: air resources, planning, rangeland management, minerals and geology, outdoor recreation, archaeology, paleontology, wildlife and fisheries, lands and realty, hydrology, soils, and economics.

Additional Information

The BLM will utilize and coordinate the NEPA and land use planning processes for this planning effort to help support compliance with applicable procedural requirements under the Endangered Species Act (16 U.S.C. 1536) and section 106 of the National Historic Preservation Act (54 U.S.C. 306108) as provided in 36 CFR 800.2(d)(3), including public involvement requirements of section 106. The information about historic and cultural resources and threatened and endangered species within the area potentially affected by the proposed plan will assist the BLM in identifying and evaluating impacts to such resources.

The BLM will consult with federally recognized Tribes on a government-to-government basis in accordance with E.O. 13175, BLM MS 1780, and other Departmental policies. Tribal concerns, including impacts on Indian trust assets and potential impacts to cultural resources, will be given due consideration. Federal, State, and local agencies, along with federally recognized Tribes and other stakeholders that may be interested in or affected by the proposed Buffalo RMP amendment that the BLM is evaluating, are invited to participate in the scoping.

Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment

to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

(Authority: 43 CFR 46.435 and 43 CFR 1610.2)

Kristina Kirby,
State Director (Acting).

[FR Doc. 2025–12672 Filed 7–7–25; 8:45 am]

BILLING CODE 4331–26–P

INTERNATIONAL TRADE COMMISSION

Notice of Receipt of Complaint; Solicitation of Comments Relating to the Public Interest

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has received a complaint entitled *Certain Mobile Cellular Communications Devices, DN 3835*; the Commission is soliciting comments on any public interest issues raised by the complaint or complainant's filing pursuant to the Commission's Rules of Practice and Procedure.

FOR FURTHER INFORMATION CONTACT: Lisa R. Barton, Secretary to the Commission, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436, telephone (202) 205–2000. The public version of the complaint can be accessed on the Commission's Electronic Document Information System (EDIS) at <https://edis.usitc.gov>. For help accessing EDIS, please email EDIS3Help@usitc.gov.

General information concerning the Commission may also be obtained by accessing its internet server at United States International Trade Commission (USITC) at <https://www.usitc.gov>. The public record for this investigation may be viewed on the Commission's Electronic Document Information System (EDIS) at <https://edis.usitc.gov>. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205–1810.

SUPPLEMENTARY INFORMATION: The Commission has received a complaint and a submission pursuant to § 210.8(b) of the Commission's Rules of Practice and Procedure filed on behalf of Pantech Corporation on July 3, 2025. The complaint alleges violations of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) in the importation into the United States, the sale for importation,

and the sale within the United States after importation of certain mobile cellular communications devices. The complaint names as respondents: OnePlus Technology (Shenzhen) Co., Ltd. of China; OnePlus USA Corp. of Irving, TX; Lenovo Group Ltd. of China; Lenovo (United States) Inc. of Morrisville, NC; Motorola Mobility LLC of Libertyville, IL; TCL Industries Holdings Co., Ltd. of China; TCL Electronics Holdings Ltd. of Hong Kong; TCL Communication Ltd. of Hong Kong; TCL Communication Technology Holdings Ltd. of China; TCL Mobile International Ltd. of Hong Kong; Huizhou TCL Mobile Communication Co., Ltd. of China; TCL Mobile Communication (HK) Company Ltd. of Hong Kong; Tinno USA, Inc. of Plano, TX; Shenzhen Tinno Mobile Technology Corp. of China; HMD Global of Finland; HMD Global OY of Finland; and HMD America, Inc. of Miami, FL. The complainant requests that the Commission issue a limited exclusion order, cease and desist orders and impose a bond upon respondents' alleged infringing articles during the 60-day Presidential review period pursuant to 19 U.S.C. 1337(j).

Proposed respondents, other interested parties, members of the public, and interested government agencies are invited to file comments on any public interest issues raised by the complaint or § 210.8(b) filing. Comments should address whether issuance of the relief specifically requested by the complainant in this investigation would affect the public health and welfare in the United States, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, or United States consumers.

In particular, the Commission is interested in comments that:

(i) explain how the articles potentially subject to the requested remedial orders are used in the United States;

(ii) identify any public health, safety, or welfare concerns in the United States relating to the requested remedial orders;

(iii) identify like or directly competitive articles that complainant, its licensees, or third parties make in the United States which could replace the subject articles if they were to be excluded;

(iv) indicate whether complainant, complainant's licensees, and/or third party suppliers have the capacity to replace the volume of articles potentially subject to the requested exclusion order and/or a cease and

desist order within a commercially reasonable time; and

(v) explain how the requested remedial orders would impact United States consumers.

Written submissions on the public interest must be filed no later than by close of business, eight calendar days after the date of publication of this notice in the **Federal Register**. There will be further opportunities for comment on the public interest after the issuance of any final initial determination in this investigation. Any written submissions on other issues must also be filed by no later than the close of business, eight calendar days after publication of this notice in the **Federal Register**. Complainant may file replies to any written submissions no later than three calendar days after the date on which any initial submissions were due, notwithstanding § 201.14(a) of the Commission's Rules of Practice and Procedure. No other submissions will be accepted, unless requested by the Commission. Any submissions and replies filed in response to this Notice are limited to five (5) pages in length, inclusive of attachments.

Persons filing written submissions must file the original document electronically on or before the deadlines stated above. Submissions should refer to the docket number ("Docket No. 3835") in a prominent place on the cover page and/or the first page. (See Handbook for Electronic Filing Procedures, Electronic Filing Procedures¹). Please note the Secretary's Office will accept only electronic filings during this time. Filings must be made through the Commission's Electronic Document Information System (EDIS, <https://edis.usitc.gov>.) No in-person paper-based filings or paper copies of any electronic filings will be accepted until further notice. Persons with questions regarding filing should contact the Secretary at EDIS3Help@usitc.gov.

Any person desiring to submit a document to the Commission in confidence must request confidential treatment. All such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. See 19 CFR 201.6. Documents for which confidential treatment by the Commission is properly sought will be treated accordingly. All information, including confidential business information and documents for which

¹ Handbook for Electronic Filing Procedures: https://www.usitc.gov/documents/handbook_on_filing_procedures.pdf

confidential treatment is properly sought, submitted to the Commission for purposes of this Investigation may be disclosed to and used: (i) by the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel², solely for cybersecurity purposes. All nonconfidential written submissions will be available for public inspection at the Office of the Secretary and on EDIS.³

This action is taken under the authority of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and of §§ 201.10 and 210.8(c) of the Commission's Rules of Practice and Procedure (19 CFR 201.10, 210.8(c)).

By order of the Commission.

Issued: July 3, 2025.

Lisa Barton,

Secretary to the Commission.

[FR Doc. 2025–12690 Filed 7–7–25; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 731–TA–1022 (Fourth Review)]

Refined Brown Aluminum Oxide From China

Determination

On the basis of the record¹ developed in the subject five-year review, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that revocation of the antidumping duty order on refined brown aluminum oxide from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

Background

The Commission instituted this review on February 3, 2025 (90 FR 8812, February 3, 2025) and determined on May 9, 2025, that it would conduct an

expedited review (90 FR 22113, May 23, 2025).

The Commission made this determination pursuant to section 751(c) of the Act (19 U.S.C. 1675(c)). It completed and filed its determination in this review on July 3, 2025. The views of the Commission are contained in USITC Publication 5645 (July 2025), entitled *Refined Brown Aluminum Oxide from China: Investigation No. 731–TA–1022 (Fourth Review)*.

By order of the Commission.

Issued: July 3, 2025.

Lisa Barton,

Secretary to the Commission.

[FR Doc. 2025–12665 Filed 7–7–25; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

William Washington, M.D.; Decision and Order

On January 22, 2025, the Drug Enforcement Administration (DEA or Government) issued an Order to Show Cause (OSC) to William Washington, M.D., of Bellevue, Washington (Registrant). Request for Final Agency Action (RFAA), Exhibit (RFAAX) A, at 1, 3. The OSC proposed the revocation of Registrant's Certificate of Registration No. FW5625213, alleging that Registrant is “currently without authority to handle controlled substances in the State of Washington, 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.* at 2 (citing 21 CFR 1301.43). Here, Registrant did not request a hearing. RFAA, at 2.¹ “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 1–2; *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 November 26, 2024, the Washington Medical Commission permanently revoked Registrant's Washington medical license. RFAAX A, at 1. According to Washington online records, of which the Agency takes official notice,² Registrant's Washington medical license remains revoked. Washington State Department of Health Provider Credential Search, <https://fortress.wa.gov/doh/providercredentialsearch/default.aspx> (last visited date of signature of this Order). Accordingly, the Agency finds that Registrant is not licensed to practice medicine in Washington, the state in which he is registered with DEA.³

Discussion

Pursuant to 21 U.S.C. 824(a)(3), the Attorney General may 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.*

² 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).

³ 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 Washington. 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.

² All contract personnel will sign appropriate nondisclosure agreements.

³ Electronic Document Information System (EDIS): <https://edis.usitc.gov>

¹ The record is defined in § 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR 207.2(f)).

¹ Based on the Government's submissions in its RFAA dated February 24, 2025, the Agency finds that service of the OSC on Registrant was adequate. Specifically, a Form DEA–12, Receipt for Cash or Other Items, indicates that a DEA Diversion Investigator personally served Registrant with the OSC on January 22, 2025. RFAAX B, at 1.

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).⁴

According to Washington statute, “[a] practitioner may dispense or deliver a controlled substance to or for an individual or animal only for medical treatment or authorized research in the ordinary course of that practitioner’s profession.” Wash. Rev. Code § 69.50.308(j) (2022). Further, a “prescription” means “an order for controlled substances issued by a practitioner duly authorized by law or rule in the state of Washington to prescribe controlled substances within the scope of his or her professional practice for a legitimate medical purpose.” *Id.* at § 69.50.101(41) (West 2025). Finally, a “practitioner” as defined by Washington statute includes “[a] physician licensed to practice medicine and surgery.” *Id.* at § 69.50.101(40)(c).

Here, the undisputed evidence in the record is that Registrant currently lacks authority to practice medicine in Washington. As already discussed, a physician must be a licensed practitioner to dispense or prescribe a

controlled substance in Washington. Thus, because Registrant lacks authority to practice medicine in Washington and, therefore, is not authorized to handle controlled substances in Washington, Registrant is not eligible to maintain a DEA registration in Washington. 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. FW5625213 issued to William Washington, 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 William Washington, M.D., to renew or modify this registration, as well as any other pending application of William Washington, M.D., for additional registration in Washington. This Order is effective August 7, 2025.

Signing Authority

This document of the Drug Enforcement Administration was signed on July 1, 2025, by Acting Administrator Robert J. Murphy. 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. 2025–12608 Filed 7–7–25; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Tanya Newlove, N.P.; Decision and Order

On February 18, 2025, the Drug Enforcement Administration (DEA or Government) issued an Order to Show Cause (OSC) to Tanya Newlove, N.P., of Peoria, Illinois (Registrant). Request for Final Agency Action (RFAA), Exhibit (RFAAX) 1, at 1, 4. The OSC proposed the revocation of Registrant’s DEA Certificate of Registration (COR) No.

MD3642077, alleging that Registrant is “currently without authority to . . . handle controlled substances in the State of Illinois, the state in which [she is] registered with DEA.” *Id.* at 2 (citing 21 U.S.C. 824(a)(3)).

The OSC notified Registrant of her right to file a written request for hearing, and that if she failed to file such a request, she would be deemed to have waived her right to a hearing and be in default. *Id.* at 2–3 (citing 21 CFR 1301.43). Here, Registrant did not request a hearing. RFAA, at 2.¹ “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.* at 1301.43(f)(1). Here, the Government has requested final agency action based on Registrant’s default pursuant to 21 CFR 1301.43(c) and (f), 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 deemed admitted. According to the OSC, Registrant’s Illinois registered professional nurse license, advanced practice registered nurse license, and advanced practice nurse controlled substance license expired on June 30, 2024. RFAAX 1, at 2. According to Illinois online records, of which the Agency takes official notice,² Registrant’s Illinois licenses have a status of “Not Renewed.” Illinois DFPR License Search, <https://online-dfpr.micropact.com/lookup/licenselookup.aspx> (last visited date of signature of this Order). Accordingly, the Agency finds that Registrant is not licensed as a practitioner in Illinois, the

¹ Based on the Government’s submissions in its RFAA dated April 9, 2025, the Agency finds that service of the OSC on Registrant was proper. The included declaration from a DEA Diversion Investigator (DI) indicates that on March 3, 2025, the DI personally served Registrant with a copy of the OSC. RFAAX 2, at 1.

² 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).

⁴ 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 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 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 at 27617.

state in which she is registered with DEA.³

Discussion

Pursuant to 21 U.S.C. 824(a)(3), the Attorney General may 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).⁴

³ 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 as a nurse in Illinois. 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.

⁴ 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

According to Illinois statute, “dispense” means “to deliver a controlled substance to an ultimate user or research subject by or pursuant to the lawful order of a prescriber, including the prescribing, administering, packaging, labeling, or compounding necessary to prepare the substance for that delivery.” 720 ILCS 570/102(p) (West 2025). Further, a “practitioner” means an “advanced practice registered nurse, . . . registered nurse, . . . or other person licensed, registered, or otherwise lawfully permitted by . . . [Illinois] to distribute, dispense, conduct research with respect to, [or] administer . . . a controlled substance in the course of professional practice or research.” *Id.* at 570/102(kk).⁵

Here, the undisputed evidence in the record is that Registrant is not a currently licensed practitioner in Illinois. As discussed above, a nurse must be a licensed practitioner to dispense a controlled substance in Illinois. Thus, because Registrant’s nursing licenses are expired in Illinois and, therefore, she is not currently authorized to handle controlled substances in Illinois, Registrant is not eligible to maintain a DEA registration in Illinois. 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. MD3642077 issued to Tanya Newlove, N.P. 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 Tanya Newlove, N.P., to renew or modify this registration, as well as any other pending application of Tanya Newlove, N.P., for additional registration in Illinois.

This Order is effective August 6, 2025.

Signing Authority

This document of the Drug Enforcement Administration was signed on July 1, 2025, by Acting Administrator Robert J. Murphy. That document with

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 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 at 27617.

⁵ In this case, Registrant was specifically licensed as an advanced practice registered nurse authorized to distribute Schedule III through V controlled substances in Illinois. See 720 ILCS 570/303.05(a)(2) (West 2025).

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. 2025–12609 Filed 7–7–25; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Mark Agresti, M.D.; Decision and Order

On November 29, 2023, the Drug Enforcement Administration (DEA or Government) issued an Order to Show Cause (OSC) to Mark Agresti, M.D., of Palm Beach, Florida (Registrant). Request for Final Agency Action (RFAA), Exhibit (RFAAX) 2, at 1, 3. The OSC proposed the revocation of Registrant’s DEA Certificate of Registration No. BA2032441, alleging that Registrant has “been mandatorily excluded from Federal health care programs pursuant to 42 U.S.C. 1320a–7(a).” *Id.* at 1 (citing 21 U.S.C. 824(a)(5)).

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.* at 2 (citing 21 CFR 1301.43). Here, Registrant did not request a hearing. RFAA, at 2.¹ “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

¹ Based on the Government’s submissions in its RFAA dated November 26, 2024, the Agency finds that service of the OSC on Registrant was adequate. The included Declaration from a DEA Diversion Investigator (DI) indicates that on December 1, 2023, the DI traveled to Registrant’s attorney’s office and personally served Registrant’s attorney with a copy of the OSC. RFAAX 3, Attachment D. Registrant’s attorney signed a Form DEA–12, confirming receipt of the OSC. *Id.*

circumstances, the Administrator may enter a default final order pursuant to [21 CFR] § 1316.67.” *Id.* at 1301.43(f)(1). Here, the Government has requested final agency action based on Registrant’s default pursuant to 21 CFR 1301.43(c), (e), (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 deemed admitted. 21 CFR 1301.43(e). Accordingly, Registrant admits that in 2022, he was convicted of one count of conspiracy to commit health care fraud and wire fraud, and 11 counts of health care fraud, in violation of 18 U.S.C. 1349, 1347. RFAAX 2, at 2. As a result of Registrant’s conviction,² the United States Department of Health and Human Services, Office of Inspector General (HHS/OIG), mandatorily excluded Registrant from participation in Medicare, Medicaid, and all federal health care programs pursuant to 42 U.S.C. 1320a–7(a) for a minimum period of 47 years. *Id.* The exclusion became effective on January 19, 2023. *Id.* Accordingly, the Agency finds substantial record evidence that Registrant has been excluded from participation in Medicare, Medicaid, and all Federal health care programs.

Discussion

Pursuant to 21 U.S.C. 824(a)(5), the Attorney General may suspend or revoke a registration upon finding that the registrant “has been excluded (or directed to be excluded) from participation in a program pursuant to section 1320a–7(a) of Title 42.”

The OSC solely alleges that Registrant’s registration should be revoked as a result of his mandatory exclusion “from participation in Medicare, Medicaid, and all Federal health care programs pursuant to 42 U.S.C. 1320a–7(a).” RFAAX 2, at 1 (citing 21 U.S.C. 824(a)(5)). Above, the Agency found that HHS/OIG mandatorily excluded Registrant from participation in Medicare, Medicaid, and all Federal health care programs pursuant to 42 U.S.C. 1320a–7(a), for a minimum of 47 years. *Id.* at 2. Accordingly, the Agency finds that the Government established a *prima facie* case for revoking Registrant’s registration, that Registrant did not

rebut that *prima facie* case, and that there is substantial record evidence supporting the revocation of Registrant’s registration. 21 U.S.C. 824(a)(5).

Sanction

Where, as here, the Government has presented a *prima facie* case showing that Registrant’s registration should be revoked, the burden shifts to Registrant to show why he can be entrusted with the responsibility carried by a registration. *Morall v. Drug Enforcement Admin.*, 412 F.3d 165, 174 (D.C. Cir. 2005); *Jones Total Health Care Pharmacy*, 881 F.3d 823, 830 (11th Cir. 2018); *Garrett Howard Smith, M.D.*, 83 FR 18882 (2018). The issue of trust is necessarily a fact-dependent determination based on the circumstances presented by the individual registrant. *Jeffrey Stein, M.D.*, 84 FR 46968, 46972 (2019); *see also Jones Total Health Care Pharmacy*, 881 F.3d at 833. Moreover, as past performance is the best predictor of future performance, the Agency has required that registrants who have committed acts inconsistent with the public interest must accept responsibility for those acts and demonstrate that they will not engage in future misconduct. *Jones Total Health Care Pharmacy*, 881 F.3d at 833. A registrant’s acceptance of responsibility must be unequivocal. *Id.* at 830–31. In addition, a registrant’s candor during the investigation and hearing has been an important factor in determining acceptance of responsibility and the appropriate sanction. *Id.* Further, the Agency has found that the egregiousness and extent of the misconduct are significant factors in determining the appropriate sanction. *Id.* at 834 and n.4. The Agency has also considered the need to deter similar acts by the specific registrant and by the community of registrants. *Jeffrey Stein, M.D.*, 84 FR at 46972–73.

Here, Registrant failed to answer the allegations contained in the OSC, submit a corrective action plan, or otherwise avail himself of the opportunity to refute the Government’s case. As such, Registrant has made no representations as to his future compliance with the CSA nor demonstrated that he can be entrusted with registration. Moreover, the evidence presented by the Government shows that Registrant was convicted of charges related to health care fraud, further indicating that Registrant cannot be entrusted with registration.

Accordingly, the Agency will order the revocation of Registrant’s registration.

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. BA2032441, issued to Mark Agresti, 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 Mark Agresti, M.D., to renew or modify this registration, as well as any other pending application of Mark Agresti, M.D., for additional registration in Florida. This Order is effective August 6, 2025.

Signing Authority

This document of the Drug Enforcement Administration was signed on July 1, 2025, by Acting Administrator Robert J. Murphy. 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. 2025–12610 Filed 7–7–25; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

[OMB Number 1105–0New]

Agency Information Collection Activities; Proposed eCollection eComments Requested; New Collection

AGENCY: Antitrust Division, Department of Justice.

ACTION: 60 Day notice.

SUMMARY: The Department of Justice (DOJ), Antitrust Division, will be submitting the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995.

DATES: Comments are encouraged and will be accepted for 60 days until September 8, 2025.

FOR FURTHER INFORMATION CONTACT: If you have additional comments especially on the estimated public burden or associated response time, suggestions, or need a copy of the

² The underlying conviction forming the basis for mandatory exclusion from participation in federal health care programs need not involve controlled substances to provide the grounds for revocation or denial pursuant to Section 824(a)(5). *See Moustafa M. Aboshady, M.D.*, 90 FR 15992, 15993 n.5 (2025) (collecting cases).

proposed information collection instrument with instructions or additional information, please contact Sarah Oldfield, Deputy Chief Legal Advisor, Department of Justice, Antitrust Division, 950 Pennsylvania Ave. NW, Room 3304, Washington, DC 20530 (email: sarah.oldfield@usdoj.gov; phone: 202-305-8915).

SUPPLEMENTARY INFORMATION: Written comments and suggestions from the public and affected agencies concerning the proposed collection of information are encouraged. Your comments should address one or more of the following four points:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the Department of Justice, Antitrust Division, 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;
- Evaluate whether and if so how the quality, utility, and clarity of the information to be collected can be enhanced; and
- 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.

Overview of This Information Collection

1. *Type of Information Collection:* New collection.
2. *The Title of the Form/Collection:*
3. *The agency form number, if any, and the applicable component of the Department sponsoring the collection:* There is no agency form number for this collection. The applicable component within the Department of Justice is the Antitrust Division.
4. *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary respondents will be individuals or households. The Healthcare Competition Complaint form facilitates reporting by members of the public of complaints, concerns, or information regarding potential antitrust violations. Respondents will be able to complete and submit information electronically through the Healthcare Competition Complaint form on the Department of Justice's website.
5. *An estimate of the total number of respondents and the amount of time*

estimated for an average respondent to respond: 2,345 respondents annually and 12 minutes for an individual to respond.

6. *An estimate of the total public burden (in hours) associated with the collection:* 28,140 annual burden hours.

7. *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* An estimated 2,345 members of the public will respond annually to the Healthy Competition Complaint form. Based on a survey conducted of a sample of respondents, the amount of time estimated for an individual to respond is 12 minutes.

8. *An estimate of the total public burden (in hours) associated with the collection:* The estimated public burden associated with this collection is 28,140 hours.

If additional information is required contact: Darwin Arceo, Department Clearance Officer, United States Department of Justice, Justice Management Division, Policy and Planning Staff, Two Constitution Square, 145 N Street NE, Washington, DC 20530.

Dated July 3, 2025.

Darwin Arceo,

Department Clearance Officer for PRA, U.S. Department of Justice.

[FR Doc. 2025-12664 Filed 7-7-25; 8:45 am]

BILLING CODE 4410-CW-P

DEPARTMENT OF JUSTICE

[OMB Number 1105-0099]

Agency Information Collection Activities; Proposed eCollection eComments Requested; Reinstatement With Change of a Previously Approved Collection; USMS Medical Forms

AGENCY: U.S. Marshals Service, Department of Justice.

ACTION: 30-Day notice.

SUMMARY: The U.S. Marshals Service (USMS), Department of Justice (DOJ), will be submitting the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995.

DATES: Comments are encouraged and will be accepted for 30 days until August 7, 2025.

FOR FURTHER INFORMATION CONTACT: The proposed information collection was previously published in the **Federal Register** on May 2, 2025, 90 FR 18868, allowing a 60-day comment period. If you have additional comments

especially on the estimated public burden or associated response time, suggestions, or need a copy of the proposed information collection instrument with instructions or additional information, please contact Assistant Chief Karl Slazer/Management Support Division, U.S. Marshals Service Headquarters, 1215 S Clark St., Ste. 10017, Arlington, VA 22202-4387, by telephone at 703-740-2316 or by email at karl.slazer@usdoj.gov.

SUPPLEMENTARY INFORMATION: Written comments and suggestions from the public and affected agencies concerning the proposed collection of information are encouraged. Your comments should address one or more of the following four points:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the Bureau of Justice Statistics, 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;
- Evaluate whether and if so how the quality, utility, and clarity of the information to be collected can be enhanced; and
- 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.

Abstract: As a law enforcement agency, the United States Marshals Service has unique medical requirements that prevent USMS from using current medical-related Standard and Optional forms. These forms have been developed to allow USMS to ensure that the applicants, contract employees and current federal employees who work in operational law enforcement positions are physically fit enough to perform their duties safely and successfully.

Overview of This Information Collection

1. *Type of Information Collection:* Reinstatement with change of a previously approved collection.
2. *The Title of the Form/Collection:* USMS Medical Forms.
3. *The agency form numbers, if any, and the applicable component of the Department sponsoring the collection:*

- USM-522A—Physician Evaluation Report for USMS Operational Employees
- USM-522P—Physician Evaluation Report for USMS Operational Employees—Pregnancy Only
- USM-602—Contract Guard Physical Examination Report (superseding USM-600—Physical Requirements of USMS District Security Officers)
- CSO-012—Request to Reevaluate Court Security Officer's Medical Qualification
- SSO-012—Request to Reevaluate Special Security Officer's Medical Qualification

4. Affected public who will be asked or required to respond, as well as the obligation to respond:

- USM-522A—Physician Evaluation Report for USMS Operational Employees
 - *Affected public*: Private sector (Physicians)
 - *Brief abstract*: This form is completed by an USMS operational employee's treating physician to report any illness/injury (other than pregnancy) that requires restriction from full performance of duties for longer than 80 consecutive hours.
- USM-522P—Physician Evaluation Report for USMS Operational Employees (Pregnancy Only)
 - *Affected public*: Private sector (Physicians)
 - *Brief abstract*: Form USM-522P must be completed by the OB/GYN physician of pregnant USMS operational employees to specify any restrictions from full performance of duties.
- USM-602—Contract Guard Physical Examination Report (superseding USM-600—Physical Requirements of USMS District Security Officers)
 - *Affected public*: Private sector (Physicians)
 - *Brief abstract*: It is the policy of the USMS to ensure a law enforcement work force that is medically able to safely perform the required job functions. All applicants for law enforcement positions must have pre-employment physical examinations; existing District Security Officers (DSOs) must recertify that they are physically fit to perform the duties of their

position each year. DSOs are individual contractors, not employees of USMS; Form USM-522 does not apply to DSOs.

- CSO-012—Request to Reevaluate Court Security Officer's Medical Qualification
 - *Affected public*: Private sector (Physicians)
 - *Brief abstract*: This form is completed by the Court Security Officer (CSO)'s attending physician to determine whether a CSO is physically able to return to work after an injury, serious illness, or surgery. The physician returns the evaluation to the contracting company, and if the determination is that the CSO may return to work, the CSO-012 is then signed off on by the contracting company and forwarded to the USMS for final review by USMS' designated medical reviewing official. Court Security Officers are contractors, not employees of USMS; Form USM-522A does not apply to CSOs.
- SSO-012—Request to Reevaluate Court Security Officer's Medical Qualification
 - *Affected public*: Private sector (Physicians)
 - *Brief abstract*: Form SSO-012 must be completed by a Special Security Officer (SSO)'s attending physician when an SSO is returning to perform security services for the U.S. Marshals Service after recovering from an injury, extended illness, and/or outpatient or inpatient surgery to ensure the SSO is medically qualified to return to duty.

The obligation to respond is voluntary.

5. An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:

- USM-522A—Physician Evaluation Report for USMS Operational Employees
 - It is estimated that 208 respondents will complete a 20-minute form twice per year.
- USM-522P—Physician Evaluation Report for USMS Operational Employees (Pregnancy Only)
 - It is estimated that 7 respondents

will complete a 15-minute form twice per year.

- USM-602—Contract Guard Physical Examination Report (superseding USM-600—Physical Requirements of USMS District Security Officers)
 - It is estimated that 2,000 respondents will complete a 20-minute form.
- CSO-012—Request to Reevaluate Court Security Officer's Medical Qualification
 - It is estimated that 300 respondents will complete a 30-minute form.
- SSO-102—Request to Reevaluate Court Security Officer's Medical Qualification
 - It is estimated that 27 respondents will complete a 30-minute form.

6. An estimate of the total annual burden (in hours) associated with the collection:

- a. USM-522A—Physician Evaluation Report for USMS Operational Employees
 - i. There are an estimated 139 annual total burden hours associated with this collection.
- b. USM-522P—Physician Evaluation Report for USMS Operational Employees (Pregnancy Only)
 - i. There are an estimated 4 annual total burden hours associated with this collection.
- c. USM-602—Contract Guard Physical Examination Report (superseding USM-600—Physical Requirements of USMS District Security Officers)
 - i. There are an estimated 667 annual total burden hours associated with this collection.
- d. CSO-012—Request to Reevaluate Court Security Officer's Medical Qualification
 - i. There are an estimated 150 annual total burden hours associated with this collection.
- e. SSO-012—Request to Reevaluate Special Security Officer's Medical Qualification
 - i. There are an estimated 14 annual total burden hours associated with this collection.

Total Annual Time Burden (Hr): 974.

7. An estimate of the total annual cost burden associated with the collection, if applicable:

TOTAL BURDEN HOURS

Activity	Number of respondents	Frequency	Total annual responses	Time per response (min.)	Total annual burden (hours)
Physicians	208	As needed (2/annually)	416	20	139
Physicians	7	As needed (2/annually)	14	15	4
Physicians	2,000	As needed (1/annually)	2,000	20	667

TOTAL BURDEN HOURS—Continued

Activity	Number of respondents	Frequency	Total annual responses	Time per response (min.)	Total annual burden (hours)
Physicians	300	As needed (1/annually)	300	30	150
Physicians	27	As needed (1/annually)	27	30	14
Unduplicated Totals	2,542	.....	2,757	.....	974

Estimated Annual Cost Burden:
\$152,721.

If additional information is required contact: Darwin Arceo, Department Clearance Officer, United States Department of Justice, Justice Management Division, Policy and Planning Staff, Two Constitution Square, 145 N Street NE, 4W-218, Washington, DC.

Dated: July 3, 2025.

Darwin Arceo,

Department Clearance Officer for PRA, U.S. Department of Justice.

[FR Doc. 2025-12661 Filed 7-7-25; 8:45 am]

BILLING CODE 4410-04-P

DEPARTMENT OF LABOR

Employee Benefits Security Administration

[Prohibited Transaction Exemption 2025-05; Application Number L-12066]

Exemption for Certain Prohibited Transactions Involving Meta Platforms, Inc. (Meta) Located in Menlo Park, CA

AGENCY: Employee Benefits Security Administration, Labor.

ACTION: Notice of exemption.

SUMMARY: This document provides notice of an individual exemption from certain prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 (ERISA). The exemption permits Prudential Life Insurance Company of America (Prudential) to reinsure the Meta Platforms Inc. Health and Welfare Benefit Plan (Plan)'s group term life insurance benefits, accidental death and dismemberment benefits, survivor income benefits, supplemental employee term coverage, dependent term life insurance (spouse or domestic partner), dependent term life insurance (children) (the Reinsured Benefits), by entering into a reinsurance contract with Ekahi Insurance Company, LLC (Ekahi), an insurance company that is owned by Meta Platforms, Inc. (Meta or the Applicant). This arrangement is hereinafter referred to as the "Reinsurance Arrangement."

DATES: This final exemption will be in effect as of July 8, 2025.

FOR FURTHER INFORMATION CONTACT: Nicholas Schroth, Office of Exemption Determinations, Employee Benefits Security Administration, U.S. Department of Labor, (202) 693-8571 (this is not a toll-free number).

SUPPLEMENTARY INFORMATION: Meta requested an exemption pursuant to ERISA section 408(a) in accordance with the Department's exemption procedures set forth in 29 CFR part 2570, subpart B.¹ On November 21, 2024, the Department published a notice of proposed exemption in the **Federal Register** at 89 FR 92162 (November 21, 2024) (the Proposed Exemption).

Based on the record and representations made by the Applicant, the Department has determined to grant the Proposed Exemption. This exemption provides only the relief specified herein and does not provide relief from violations of any law other than the prohibited transaction provisions of ERISA.

As discussed below, the Department makes the requisite findings under ERISA section 408(a) that the exemption is: (1) administratively feasible for the Department, (2) in the interest of the Plan and its participants and beneficiaries, and (3) protective of the rights of the participants and beneficiaries of the Plan, based on the Applicant's adherence to all the conditions and definitions of the exemption at all times. Accordingly, affected parties should be aware that the inclusion of the conditions and definitions incorporated in this exemption was necessary for the

¹ The procedures that govern the Applicant's request for an exemption (the Exemption Procedures) are set forth in 29 CFR part 2570, subpart B at 76 FR 66637, 66644 (October 27, 2011). Although the Applicant's submission is being processed under the Exemption Procedures in effect as of December 27, 2011, the Exemption Procedures were recently amended at 89 FR 4662, 4691 (January 24, 2024). Additionally, because the Plan will not be qualified under section 401 of the Internal Revenue Code of 1986, as amended (the Code), there is no jurisdiction under Title II of the ERISA pursuant to section 4975 of the Code. However, there is jurisdiction under Title I of ERISA.

Department to make its findings to grant the relief requested by the Applicant.

Benefits of the Exemption to Plan Participants: This exemption will yield an immediate and objectively determined benefit to Plan participants in the form of the benefit enhancements described in paragraphs 14 through 27 below, which must be paid for solely by Meta. Initially, the benefit enhancements are expected to cost Meta around \$3,854,000 per year, although that amount will change over time. Prudential (or any successor Fronting Insurer) will remain fully responsible for the payment of Reinsured Benefits if Ekahi does not fulfill its contractual obligations to Prudential.

Background²

The Sponsor

1. Meta Platforms, Inc. (Meta) is a multinational technology company headquartered in Menlo Park, California. Meta sponsors the Plan.

The Plan

2. Meta Platforms Inc. Health and Welfare Benefit Plan (Plan) provides the following health and welfare benefits to its employees and their beneficiaries: health, dental, vision, temporary disability insurance for accidents and sickness, prepaid legal services, long-term disability, death benefits, basic employee term life coverage, basic AD&D coverage, employee survivor benefits life coverage, supplemental employee term coverage, dependent term life insurance (spouse or domestic partner), and dependent term life insurance (children). As of December 31, 2023, the Plan covered 56,511 participants.

Reinsured Benefits

3. As of January 1, 2021, Prudential insured a subset of the Plan's group term life insurance benefits, basic accidental death and dismemberment benefits, survivor income benefits, supplemental employee term coverage, dependent term life insurance (spouse

² Any capitalized terms not defined herein are given the meanings ascribed to them in the Proposed Exemption at 89 FR 92162 (November 21, 2024).

or domestic partner), and dependent term life insurance (children). Once Ekahi commences the Reinsurance Arrangement, these benefits will be reinsured by Ekahi (hereinafter collectively referred to as the Reinsured Benefits).

Fronting Insurer

4. Prudential Life Insurance Company of America (Prudential) will, at least initially, operate as the Plan's Fronting Insurer for the Plan's Reinsured Benefits. Prudential received an "A+" financial strength rating from A. M. Best Company (A. M. Best) as of February 4, 2025. Prudential is unrelated to Meta, and the conditions of the exemption require it to remain so throughout the duration of the Reinsurance Arrangement. The conditions for relief prescribe several requirements that any future Fronting Insurer must adhere to for the parties to continue to rely on the exemption.

The Captive

5. Meta organized Honu Insurance Company, LLC (Honu) on December 1, 2020, as a wholly-owned subsidiary of Meta. Honu has authority to transact business as a pure captive insurance company, which means it only insures or reinsures risks of Meta and affiliated entities or of a controlled unaffiliated business.³ On May 10, 2022, Hawaii approved Honu's conversion from a pure captive insurance company to a sponsor captive insurance company and allowed the establishment of a protected cell, called Ekahi Insurance Company, LLC (Ekahi) to operate as a cell company sponsored by Honu.⁴ Hawaii state law generally provides that a sponsor captive insurance company is a captive insurance company if: (1) its minimum required capital and surplus is provided by one or more sponsors; (2) it is formed or licensed under Hawaii state law; (3) it insures the risks only of its participants through separate participant contracts; and (4) it may fund its liability to each participant through one or more protected cells.⁵

6. Ekahi is a wholly-owned subsidiary of Meta. Presently, Ekahi reinsures employee benefits for Meta's international benefit plans, and Meta intends to expand its global benefits program by using Ekahi as its reinsurer for its domestic benefits as well. The Applicant states that, as a protected cell

of a captive insurance company, Ekahi is a separate juridical entity (*e.g.*, a corporation or an LLC) formed under the captive insurance company laws of a state and has no responsibility for the liabilities of other cells that may be formed within such captive insurance company. The juridical entity formed as a cell has all of the characteristics of any such entity, *e.g.*, in the case of a corporate cell it has articles of incorporation.

Independent Fiduciary

7. Milliman, Inc. (the Independent Fiduciary or Milliman) will serve as the Plan's Independent Fiduciary with respect to the Reinsurance Arrangement and Kathleen E. Ely, FSA, MAAA, of Milliman will perform the functions required of the Independent Fiduciary on behalf of Milliman with respect to the requirements of this exemption.⁶ The conditions for the exemption require the Independent Fiduciary to evaluate, monitor, and confirm whether the terms and conditions of the exemption have been satisfied. As part of this analysis, Milliman must document its review of the terms of the exemption and conclude whether, based on its review of all of the relevant documents and evidence, all of the exemption's terms and conditions have been met (or, due to timing requirements, can reasonably be expected to be met consistent with the time requirements set forth in this exemption)). Milliman must submit this report to the Department's Office of Exemption Determinations at least 30 days before the Plan engages in the Reinsurance Arrangement.

8. For the duration of the Reinsurance Arrangement, the Independent Fiduciary must perform the following duties: (a) monitor, enforce and ensure compliance with all conditions of the exemption, including all conditions and obligations imposed on any party dealing with the Plan, throughout the period during which Ekahi's assets are directly or indirectly used in connection with a transaction covered by the exemption; (b) report any instance of non-compliance immediately to the Department's Office of Exemption Determinations; (c) monitor the transactions covered by the exemption on a continuing basis to ensure the transactions remain in the interest of the Plan; (d) take all appropriate actions to safeguard the interests of the Plan and its participants and beneficiaries; (e)

review all contracts pertaining to the Reinsurance Arrangement, and any renewals of such contracts, to determine whether the requirements of this exemption continue to be satisfied; and (f) determine that the Reinsurance Transaction is not detrimental to the interest of the Plan and its participants and beneficiaries and take immediate corrective action if it is.

9. Additionally, Milliman must file annual certified reports with the Department, under penalty of perjury, confirming that the terms and conditions of the exemption have been met (including that Meta has not reduced or offset any participant benefits in relation to its implementation and maintenance of the Reinsurance Arrangement), and explaining Milliman's bases for that conclusion.

Mechanics of the Reinsurance Arrangement

10. Meta intends to utilize Ekahi to reinsure the following Plan benefits: basic employee term life coverage, basic accidental death and dismemberment coverage, employee survivor benefits coverage, supplemental employee term coverage, dependent term life insurance (spouse or domestic partner), dependent term life insurance (children) (hereinafter collectively referred to as the Reinsured Benefits).

11. In general terms, the Plan will make premium payments with respect to certain insurance coverages to Prudential, known as the Fronting Insurer, and Prudential will make corresponding payments for those coverages to Ekahi, also known as the Captive Insurer, in an amount less than the premiums it is paid by the Plan. The amount Prudential retains from the Plan's premium payment is a negotiated fee between Prudential and Ekahi; while the amount Prudential pays to Ekahi is Ekahi's premium for reinsuring the Plan's risks. The reinsurance agreement between Prudential and Ekahi is "indemnity only," which means that Prudential retains the responsibility to pay benefit claims to participants and beneficiaries if Ekahi does not satisfy any of its contractual obligations to Prudential under the Reinsurance Arrangement.

12. Administration of the claims under the Plan will be performed by Prudential as the direct insurer of the Plan. Ekahi will be bound by Prudential's claims handling decisions under the Plan and will not have direct contact with participants, make direct payments to participants, or have responsibility for their benefit determinations. Under the terms of the

³ Hawaii state law 19 Section 431:19–101.

⁴ The Applicant represents that the use of an incorporated protected cell to conduct reinsurance operations as described herein has no effect on the parties' adherence to the conditions for exemptive relief.

⁵ Hawaii state law 19 Section 431:19–101.

⁶ For a description of the Independent Fiduciary's qualifications, independence, and contractual requirements with regard to its engagement agreement, please see the Proposed Exemption at 89 FR 92162 (November 21, 2024).

Reinsurance Arrangement, Ekahi's reinsurance obligations to Prudential are secured with collateral (*i.e.* a letter of credit or funds in a trust account), but Prudential will assume ultimate financial liability for payment of the Plan's benefit claims if Ekahi is unable (or unwilling) to satisfy its obligations to Prudential.

The Primary Benefit Test

13. Under the exemption, Meta must satisfy the exemption's "Primary Benefit Test." This means the Plan must benefit from the Reinsurance Arrangement by an amount that exceeds 50% of the net financial benefit that Meta and its related parties receive from the Reinsurance Arrangement. Initially, with respect to the first year of the Reinsurance Arrangement, Ekahi expects to realize a net financial benefit increase of \$5,775,000 from the Reinsurance Arrangement; and Meta will pay an estimated \$3,854,000 to improve the Plan with the new benefit enhancements. If these estimates prove accurate, and if Meta does not receive any other direct or indirect benefit from the arrangement other than the net financial benefit increase of \$5,775,000, the Primary Benefit Test will be met ($\$3,854,000 / \$5,775,000 \times 100 = 66.7\%$). This exemption allows for certain adjustments, described below, to ensure the Primary Benefits Test remains satisfied over time.

Department's Note: An essential premise of this exemption is that the Independent Fiduciary will be able to accurately quantify both the net financial benefit to Meta from the Reinsurance Arrangement, and the benefit to the Plan from the Reinsurance Arrangement. The Department expects the Independent Fiduciary to discuss the specifics of the Primary Benefit Test with Meta well in advance of the start date of the Reinsurance Arrangement, so that the Independent Fiduciary may approve and monitor the Plan's participation in the arrangement, consistent with its duties under ERISA. The Independent Fiduciary must be able to identify and trace all data relevant to the Primary Benefit Test (*i.e.*, premium payments, net income amounts, reserve amounts, among other things), cognizant that Ekahi also reinsures employee benefits for Meta's international benefit plans (outside the scope of this exemption).

The Independent Fiduciary must diligently and proactively explore the scope of each prong of the Primary Benefits Test, to ensure the test has been properly met. For example, the amount that Meta pays in premiums for benefit enhancements may not accurately

reflect (and may not, in some instances, overstate) the ultimate benefit the Plan receives from the Reinsurance Arrangement. Failure of the Independent Fiduciary to perform a prudent, robust review of all data relevant to the Primary Benefits Test may result in loss of the exemption.

Benefit Enhancements

14. The benefit enhancements are:

15. Removal of the age reduction clauses for the Plan's basic life insurance benefits, optional life insurance coverages and AD&D benefits at no additional cost. Additionally, under this enhancement, the insured will no longer incur reductions to the policy's insurance amount when they reach the ages of 65 and 70.

16. Increase in the percentage allowed for an accelerated insurance payout from 90 percent to 100 percent of the total amount of coverage up to \$1,000,000 for the basic life insurance benefit. Additionally, if a participant is enrolled in the supplemental employee term coverage and the accelerated payment from the basic life insurance does not amount to at least \$1,000,000, 100 percent of the supplemental employee term coverage will be accelerated until both the basic life insurance and the supplemental life insurance accumulate to \$1,000,000.

17. New Plan portability option to participants under basic life insurance that will allow participants to retain coverage without regard to their medical conditions when they leave Meta's employment.

18. New Plan portability option to AD&D insurance benefits. The insurance will be issued without regard to participants' medical conditions but may be offered at higher rates.

19. New Plan benefit permitting qualifying disabled former employee participants to cease premium payments and continue AD&D death benefit coverage for one year. This enhancement may be renewed on an annual basis up to age 65 if the disabled individual is determined to continue to be Totally Disabled (as defined in the Plan).

20. New Plan-paid AD&D benefit of 52 sessions of bereavement and trauma counselling relating to AD&D claims up to \$150 per session that are held within a year of the loss.

21. New Plan-paid AD&D benefit covering dependent children's tuition upon the death of a participant in an annual amount equal to the lesser of (1) the actual annual amount of the dependent child's tuition (exclusive of room and board); (2) 10 percent of the

participant's AD&D death benefit;⁷ or (3) \$25,000. This benefit will be payable annually for up to 4 consecutive years, but not beyond the date the child reaches age 26.

22. New Plan-paid AD&D benefit covering childcare expenses for qualifying dependent children of a qualifying deceased participant in an annual amount equal to the lesser of: (1) the actual cost charged by the relevant Child Care Center⁸ per year; (2) 10 percent of the deceased participant's AD&D death benefit; or (3) \$24,000. This benefit is payable annually for a maximum of four consecutive years, but not beyond the date the child reaches age 13. If there is no dependent child eligible for this benefit, the Plan will pay a \$1,000 benefit.

23. New Plan-paid AD&D benefit coverage for funeral expenses in an amount equal to the lesser of: (1) the actual amount of the Funeral Expenses; (2) 10 percent of the amount of the deceased participant's AD&D death benefit; or (3) \$20,000.

24. New Plan-paid AD&D benefit coverage for monthly rehabilitation payments. The Plan will make a monthly payment equal to the lesser of (1) five percent of the amount of the participant's relevant AD&D benefit⁹ and (2) \$500 for rehabilitation expenses for a maximum of 12 consecutive months.

25. New Plan-paid AD&D benefit covering a higher monthly mortgage payment of \$2,000 per month. The benefit will be paid until the first of the following events occur: (1) the spouse or domestic partner dies; (2) the mortgage is paid in full; (3) the house subject to the mortgage is sold; or (4) the benefit has been paid for 12 consecutive months.

26. New Plan AD&D benefit increases the monthly survivor income benefit to an employee's spouse or domestic partner to 60 percent of the employee's monthly earnings for a monthly maximum of \$15,000 if certain conditions are met.

27. New Plan benefits education program offering the following Life@ Benefits concierge services for Plan benefits and well-being resources.

- EstateGuidance—estate planning concierge services.

⁷ The Plan's AD&D death benefit is equal to 100 percent of a participant's basic life insurance benefit.

⁸ As defined in the Plan's policy.

⁹ An individual's AD&D benefit under the Plan is equal to a percentage of a participant's basic life insurance benefit that depends on the particular loss or injury. For example, in the event of a participant's loss of sight in one eye, they would receive 50 percent of their basic life insurance benefit.

- ComPsych—funeral concierge services.
- GuidanceResources—employee assistance program (EAP) services, financial information resources, legal resources, and online informational resources.
- International Medical Group Travel Assistance Services—travel support services, *e.g.*, medical assistance, emergency medical transport, and security services.

Look-Back Requirement

28. The value of the Benefit Enhancements determined at the outset of the Reinsurance Arrangement is based on projections performed by an actuary on behalf of Meta. Therefore, the exemption requires the Independent Fiduciary to look back over successive five-year periods to determine whether the Primary Benefit Test has been met based on the actual value the Benefit Enhancements provided to the Plan participants during that period.

29. If the Independent Fiduciary finds that the Primary Benefit Test has not been met during a prior five-year period, Meta must immediately implement a prospective reduction to the participants' portion of the Plan premiums in an amount that is sufficient to make up for the shortfall.¹⁰ The reduction in participants' premiums must be allocated equally across all Plan participant premium contributions for Plan benefits, regardless of whether the benefits are subject to the Reinsurance Arrangement. The amount of the prospective reduction must include an additional payment of interest on the shortfall at the Internal Revenue Code of 1986 (Code) federal underpayment rate set forth in Code section 6621(b).

30. Further, Meta is prohibited from reducing any benefits provided to Plan participants and beneficiaries in connection with its implementation of the Reinsurance Arrangement. Finally, if the Plan's total annual participant premiums for all Plan benefits are insufficient to make up the shortfall, Meta must make up the remaining shortfall by increasing the value of enhanced benefits to all participants in a monetary value equal to the remaining shortfall. These additional enhanced benefits must be valued by an actuary

and approved in writing by the Independent Fiduciary.

Written Comments Received

31. In the Proposed Exemption, the Department invited all interested persons to submit written comments and/or requests for a public hearing. The Department received no comments or public hearing requests during the proposal's comment period from November 21, 2024, to January 21, 2025.

For the purposes of clarification and as an outgrowth of condition (a)(1), the Department added that the phrase "the benefits to the Plan and" to the last sentence of condition (a)(2) to clarify that the Independent Fiduciary has the option of reviewing each prong of the Primary Benefit Test with respect to years two through five of the arrangement. Further, the revisions to the Plan document and Summary Plan Description described in condition (r) must now include the **Federal Register** citation for this exemption.

The Department made several minor, non-substantive revisions to the operative language of the Proposed Exemption that are intended to clarify the exemption and/or correct scrivener's errors.

32. The complete application file (L-12066) is available for public inspection in the Public Disclosure Room of the Employee Benefits Security Administration, Room N-1515, U.S. Department of Labor, 200 Constitution Avenue NW, Washington, DC 20210 reachable by telephone at (202) 693-8571. For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption, please refer to the notice of proposed exemption published on November 21, 2024 (89 FR 92162).

33. In making its findings to grant this exemption, the Department relied on the Applicant's representations. If any material statement in the Application, proposed exemption, or final exemption, is or may no longer be completely and factually accurate, the Applicant and recipients of the exemptive relief provided herein must immediately alert the Department.¹¹

¹¹ The Representations stated herein are based on the Applicant's representations provided in its exemption application and do not reflect factual findings or opinions of the Department unless indicated otherwise. The Department notes that the availability of this exemption is subject to the express condition that the material facts and representations contained in application L-12066 are true and complete at all times, and accurately describe all material terms of the transactions covered by the exemption. If there is any material change in a transaction covered by the exemption, or in a material fact or representation described in the application, the exemption will cease to apply as of the date of the change.

General Information

The attention of interested persons is directed to the following:

(1) The fact that a transaction is the subject of an exemption under ERISA section 408(a) does not relieve a fiduciary or other party in interest from certain other provisions of ERISA, including any prohibited transaction provisions to which the exemption does not apply and the general fiduciary responsibility provisions of ERISA section 404, which, among other things, require fiduciaries to discharge their duties respecting the plan solely in the interest of the participants and beneficiaries of the plan and in a prudent fashion in accordance with ERISA section 404(a)(1)(B);

(2) As required by ERISA section 408(a), the Department hereby finds that the exemption is (1) administratively feasible for the Department, (2) in the interests of affected plans and of their participants and beneficiaries, and (3) protective of the rights of participants and beneficiaries of such plans;

(3) The exemption is supplemental to, and not in derogation of, any other ERISA provisions, including statutory or administrative exemptions and transitional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of determining whether the transaction is in fact a prohibited transaction; and

(4) The availability of this exemption is subject to the express condition that the material facts and representations contained in the application accurately describe all material terms of the transactions that are the subject of the exemption and are true at all times.

Accordingly, after considering the entire record developed in connection with the Applicant's exemption application, the Department has determined to grant the following exemption under the authority of ERISA section 408(a) in accordance with the Department's exemption procedures regulation.¹²

Exemption

Section I. Definitions

(a) An "affiliate" of Meta, Honu, or Ekahi includes: (1) Any person or entity who controls Meta, Honu, or Ekahi or is controlled by or under common control

¹² The procedures that govern the Applicant's request for an exemption (the Exemption Procedures) are set forth in 29 CFR part 2570, subpart B at 76 FR 66637, 66644 (October 27, 2011). Although the Applicant's submission is being processed under the Exemption Procedures in effect as of December 27, 2011, the Exemption Procedures were recently amended at 89 FR 4662, 4691 (January 24, 2024).

¹⁰ The Department retains the right to propose a revocation or amendment to the exemption if it is unable to confirm the reliability of the underlying financial data supporting the Independent Fiduciary's "look-back" findings. The Department notes that its determination not to revoke an exemption is not an endorsement or conclusion that the conditions of the exemption are met.

with Meta, Honu, or Ekahi; (2) Any officer, director, employee, relative, or partner with respect to Meta, Honu, or Ekahi; and (3) Any corporation or partnership of which the person in (2) of this paragraph is an officer, director, partner, or employee.

(b) “Benefit Enhancements” means the following Plan benefit enhancements, unless adjusted consistent with the terms of the exemption:

(1) *Removal of Age Reduction Clause Enhancement.* At no additional cost to the Plan’s participants and beneficiaries, the Plan’s age reduction clause applicable to the Plan’s basic life insurance benefits, optional life insurance coverages and accidental death and dismemberment (AD&D) benefits will be removed. Under this enhancement, the insured will no longer incur a reduction in the amount of coverage from 100% to 65% at the age of 65; and no longer incur a reduction in the amount of coverage from 65% to 50% at the age of 70.

(2) *Enhanced Basic Life Insurance Benefit.* The Enhanced Basic Life Insurance Benefit will increase the accelerated insurance payout for qualified terminal illnesses from 90% to 100% of the policy’s coverage amount (up to \$1,000,000) before the insured’s death. Additionally, if the participant or beneficiary is also enrolled in supplemental life insurance, then he or she will receive an increased accelerated insurance payout, from 90% of the supplemental term coverage to 100% of the supplemental term coverage, but only to the extent that the total accelerated benefit amount of both basic and supplemental coverages does not exceed \$1,000,000.

(3) *Enhanced Basic Life Insurance Benefit Portability.* The enhancement will add a portability option for its basic life insurance benefit which allows participants to obtain another Basic Life Insurance Benefit upon termination of coverage under the Plan. This benefit will be provided without regard to participants’ medical condition, although they may be required to pay higher rates for the insurance.

(4) *The Enhanced Accidental Death & Dismemberment Benefits (AD&D Benefits).*

(i) The first Enhanced AD&D Benefit will add a portability enhancement to the Plan that will allow participants to pay for a new AD&D policy after their employment with Meta ends. The insurance will be issued without regard to participants’ medical conditions but may be offered at higher rates.

(ii) The second Enhanced AD&D Benefit will add a new waiver of

premium enhancement allowing qualified disabled former employees a waiver of premiums and a continuation of death benefit coverage for their AD&D coverage while such benefit is extended as a result of their total disability (as defined in the Plan).

(iii) The third Enhanced AD&D Benefit provides for bereavement and trauma counseling sessions after a participant experiences a qualifying loss. The benefit will pay 100% of the cost up to \$150 per session for 52 counseling sessions that are held within a year of the loss.

(iv) The fourth Enhanced AD&D Benefit will pay a qualifying dependent’s tuition upon the death of a participant. This enhancement will require the Plan to pay an annual amount equal to the lesser of (1) the actual annual amount of the dependent child’s tuition (exclusive of room and board); (2) 10% of the participant’s AD&D death benefit; or (3) \$25,000. This benefit is payable annually for up to 4 consecutive years, but not beyond the date the child reaches age 26.

(v) The fifth Enhanced AD&D Benefit will pay the childcare expenses of a deceased participant. The Plan will pay an annual amount equal to the lesser of: (1) the actual cost charged by the relevant Child Care Center per year; (2) 10% of the deceased participant’s AD&D death benefit; or (3) \$24,000. The benefit is payable annually for a maximum of 4 consecutive years, but not beyond the date the child reaches age 13. If there is no dependent child eligible for this benefit, a benefit of \$1,000 will be paid.

(vi) The sixth Enhanced AD&D Benefit will pay for qualifying deceased persons’ funeral expenses in an amount equal to the lesser of: (1) the amount of the Funeral Expenses, (2) 10% of the amount of the deceased participant’s AD&D death benefit, or (3) \$20,000.

(vii) The seventh Enhanced AD&D Benefit will pay a monthly amount equal to the lesser of (1) five percent of the amount of the participant’s relevant AD&D benefit and (2) \$500 for rehabilitation expenses for a maximum of 12 consecutive months.

(viii) The eighth Enhanced AD&D Benefit will pay a \$2,000 per month supplemental monthly mortgage payment to the spouse or domestic partner of a deceased participant’s mortgage until the first of the following occurs: (1) the spouse or domestic partner dies; (2) the mortgage is paid in full; (3) the house subject to the mortgage is sold; or (4) the benefit has been paid for 12 consecutive months.

(5) *Enhanced Survivor Income Benefit.* The monthly survivor income benefit offered to an employee’s spouse

or domestic partner will be increased to 60% of the employee’s monthly earnings up to a monthly maximum of \$15,000, from the current 50% of monthly earnings up to a maximum of \$12,500 per month.

(6) *Benefits Education Program.* The Plan will offer a new Benefits Education Program that will include the following components:

- Life@Benefits service through PartnerComm, Inc.;
- Estate Guidance Program;
- ComPsych Final Arrangements Service;
- GuidanceResources Program; and
- International Medical Group Travel Assistance Services (IMG Travel).

(c) The term “control” means the power to exercise a controlling influence over the management or policies of a person other than an individual.

(d) “Ekahi” means Ekahi Insurance Company, LLC, a wholly-owned subsidiary of Meta certified by the State of Hawaii to operate as a captive insurance cell company sponsored by Honu.

(e) “Fronting Insurer” means Prudential or the successor third-party insurance company that insures certain of the Plan’s risks, and then enters into a reinsurance agreement with Ekahi for such risks.

(f) “Honu” means Honu Insurance Company, LLC, a wholly-owned subsidiary of Meta certified by the State of Hawaii to transact business as a sponsor captive insurance company.

(g) “Independent Fiduciary” means Kathleen Ely, FSA, MAAA, a Consulting Actuary with Milliman of Windsor, Connecticut or a successor Independent Fiduciary that is appointed to represent the interests of the Plan with respect to the subject transaction, provided that such person:

(1) Is not Meta or an affiliate of Meta, Honu or Ekahi and does not hold an ownership interest in Meta, Honu, Ekahi or their affiliates;

(2) Was not a fiduciary with respect to the Plan before its appointment to serve as the Independent Fiduciary;

(3) Has acknowledged in writing that:

(i) It is a fiduciary and has agreed not to participate in any decision with respect to any transaction in which it has an interest that might affect its best judgment as a fiduciary; and

(ii) Has appropriate technical training or experience to perform the services contemplated by the exemption;

(4) For purposes of this definition, no organization or individual may serve as Independent Fiduciary for any fiscal year if the gross income received by such organization or individual from

Meta, Honu, or Ekahi, or their affiliates for that fiscal year exceeds two percent of such organization's or individual's gross income from all sources for the prior fiscal year. This provision also applies to a partnership or corporation of which such organization or individual is an officer, director, or 10 percent or more partner or shareholder and includes as gross income amounts received as compensation for services provided as an independent fiduciary under any prohibited transaction exemption granted by the Department;

(5) No organization or individual that is an Independent Fiduciary and no partnership or corporation of which such organization or individual is an officer, director or ten percent or more partner or shareholder may acquire any property from, sell any property to, or borrow any funds from Meta, Honu, or Ekahi, or their affiliates while the individual serves as an Independent Fiduciary. This prohibition must continue for a period of six months after either (1) the party ceases to be an Independent Fiduciary or (2) the Independent Fiduciary negotiates on behalf of the Plan during the period that such organization or the individual serves as an Independent Fiduciary; and

(6) In the event a successor Independent Fiduciary is appointed to represent the interests of the Plan with respect to the subject transaction, no time should elapse between the resignation or termination of the former Independent Fiduciary and the appointment of the successor Independent Fiduciary.

(h) "Meta" means Meta Platforms, Inc.

(i) "Plan" means the Meta Platforms Inc. Health and Welfare Benefit Plan.

(j) "Prudential" means the Prudential Life Insurance Company of America.

Section II. Covered Transactions

The exemption will provide relief from the prohibited transactions provisions of ERISA sections 406(a)(1)(D), and 406(b)(1) and (b)(3), with respect to: (1) the reinsurance of risks; and (2) the receipt of premiums, by Ekahi, in connection with insurance contracts sold by Prudential (or any successor Fronting Insurer) to provide basic life insurance benefits, AD&D benefits, and survivor income benefits to Plan participants and beneficiaries (the "Reinsurance Arrangement"). In order to receive such relief, the conditions in Section III must be met in conformance with the definitions set forth in Section I.

Section III. Conditions

(a) Meta must improve the Plan with Benefit Enhancements that are funded

solely by Meta in accordance with (1) through (5) below:

(1) For every dollar of net financial benefits that the Reinsurance Arrangement is expected to generate, the Plan, its participants and beneficiaries must receive at least 51 cents on the dollar and, Ekahi and related parties must not receive more than 49 cents (the Primary Benefit Test);

(2) The Independent Fiduciary must determine whether the Primary Benefit Test has been met with respect to each successive five-year period covered by the exemption. The Independent Fiduciary must report its determinations as part of the Independent Fiduciary's next annual report. For purposes of the initial five-year period, the Independent Fiduciary may test only the benefits to the Plan and the costs and benefits that inure to Meta and/or parties directly or indirectly related to Meta during years two through five of the initial five-year period;

(3)(A) If the Primary Benefit Test has not been met with respect to a five-year period, Meta must reduce the participants' portion of the Plan's premium in the next consecutive year by an amount that is at least equal to the amount by which the prior five-year Primary Benefit Test was not met, plus an additional payment of interest on the shortfall at the Code's federal underpayment rate set forth in Code section 6621(b) (such amount, as increased by interest, is referred to as the "Shortfall"). The reduction in participants' premiums must be allocated equally across all Plan participant contributions toward premiums for Plan benefits (*i.e.*, each Plan participant's contribution must be reduced by the same amount), regardless of whether the respective benefits were reinsured by Ekahi. The premium reduction must be fully implemented during the course of the year following the last year of the five-year period to which it relates, and be verified by the Independent Fiduciary;

(B) If the Plan's total annual participant premiums for all Plan benefits are less than the Shortfall in the year following the aforementioned five-year period, Meta must eliminate all annual participant contribution premiums toward all Plan benefits to cover as much of the Shortfall as possible. Meta must then make up the remaining Shortfall by increasing the value of enhanced benefits to all participants in a monetary value equal to the remaining Shortfall. These additional enhanced benefits must be valued by an actuary and approved in writing by the Independent Fiduciary;

(4) If the Reinsurance Arrangement is terminated, the Independent Fiduciary must determine whether the Primary Benefit Test was met during the period of time between (A) the end of the last five-year period for which a Primary Benefit Test determination was made by the Independent Fiduciary, or if no Primary Benefit Test determination has yet been made, the beginning of the Reinsurance Arrangement, and (B) the termination date of the Reinsurance Arrangement (the Final Term). If the Primary Benefit Test was not met during the Final Term, Meta must address the Shortfall in accordance with Section III(a)(3)(A) and (B) above. Relief in the exemption does not extend to prohibited transactions described in the exemption that occur during the Final Term unless the requirements in Section III(a)(1) through (3) have been met with respect to such Final Term.

Furthermore, the Independent Fiduciary must ensure Meta's obligations under Section III(a)(3)(A) and (B) were properly implemented to address the Shortfall, notwithstanding that the Reinsurance Arrangement has already been terminated; and

(5) If the Shortfall is not corrected pursuant to the terms of this exemption, then this exemption's relief will lapse as of the first day of the five-year period to which the Shortfall relates.

(b) The Plan must pay no commissions with respect to its purchase of insurance contracts to provide the benefits that are reinsured under the exemption, or with respect to the reinsurance of such contracts;

(c) In each year of coverage provided by a Fronting Insurer, the formulae used by the Fronting Insurer to calculate premiums will be similar to formulae used by other insurers providing comparable life insurance coverage under similar programs. Furthermore, the premium charges calculated in accordance with the formulae will be reasonable and comparable to the premiums charged by the Fronting Insurer and its competitors with the same or a better financial strength rating providing the same coverage under comparable programs that are not captive reinsured;

(d) No amount of Ekahi's reserves that are attributable to premiums paid for Plan benefits may be transferred to Meta or a related party;

(e) Ekahi, the captive reinsurer, must:

- (1) Be a party in interest with respect to the Plan based on its affiliation with Meta that is described in ERISA section 3(14)(G);

- (2) Be licensed to sell insurance or conduct reinsurance operations, or be a cell corporation that is legally allowed

to rely on the license of a sponsoring captive insurance company, in at least one state, as such term is defined in ERISA section 3(10);

(3) Have obtained a Certificate of Authority from the state of Hawaii authorizing Ekahi to transact the business of a captive insurance company in Hawaii or legally rely on a sponsoring captive insurance company's valid Certificate of Authority from the state of Hawaii authorizing Ekahi to transact the business of a captive insurance company in Hawaii. Such certificate must not have been revoked or suspended;

(4)(A) Undergo and pass a financial examination (within the meaning of the law of its domiciliary state, Hawaii) by the Insurance Division of Hawaii within five years of the year in which the reinsurance transaction occurred; and

(B) Have undergone, and continue to undergo, an examination by an independent certified public accountant for its last completed taxable year immediately before the taxable year of the Reinsurance Arrangement covered by the exemption; and

(5) Be licensed to conduct reinsurance transactions or legally rely on a sponsoring captive insurance company's license to conduct reinsurance transactions by a state whose law requires that an actuarial review of reserves be conducted annually by an independent firm of actuaries and reported to the appropriate regulatory authority;

(f) The Plan retained and will continue to retain an independent, qualified fiduciary or successor to such fiduciary, as defined in Section I(d), (the Independent Fiduciary) to analyze the transactions covered by the exemption, and render an opinion that the requirements of the exemption have been satisfied;

(g) The Independent Fiduciary must:

(1) In compliance with the fiduciary obligations of prudence and loyalty under ERISA Sections 404(a)(1)(A) and (B), review the terms of the exemption, engage in a prudent and loyal analysis of the covered transactions, and verify that based on its review of all relevant documents and evidence, it has concluded that all of the exemption's terms and conditions have been met (or, due to timing requirements, can reasonably be expected to be met consistent with the terms of this proposed exemption). This conclusion must be documented in a written report submitted to the Department's Office of Exemption Determinations at least 30 days before the Plan engages in a transaction covered by the exemption. The report must include copies of each

document relied on by the Independent Fiduciary and discuss the bases for its conclusion;

(2) Monitor, enforce and ensure compliance with all conditions of the exemption including all conditions and obligations imposed on any party dealing with the Plan, throughout the period during which Ekahi's assets are directly or indirectly used in connection with a transaction covered by the exemption;

(3) Report any instance of non-compliance immediately to the Department's Office of Exemption Determinations;

(4) Monitor the transactions described in the exemption on a continuing basis, to ensure the transactions remain in the interest of the Plan;

(5) Take all appropriate actions to safeguard the interests of the Plan, its participants and beneficiaries;

(6) Review all contracts pertaining to the Reinsurance Arrangement, and any renewals of such contracts, to determine whether the requirements of this proposed exemption and the terms of Benefit Enhancements continue to be satisfied;

(7) Determine that the Reinsurance Arrangement is in no way detrimental to the Plan and its participants and beneficiaries;

(8) Provide an annual report to the Department, under penalty of perjury, certifying that each term and condition of the exemption is satisfied and setting forth the bases for the certification. Each report must be completed within six months after the end of the twelve-month period to which it relates (the first twelve-month period begins on the first day of the implementation of the Reinsurance Arrangement covered by the exemption) and submitted to the Department within 60 days thereafter. The relevant report must include the objective data necessary to demonstrate that the Primary Benefit Test has been met; and

(9) Confirm in its annual report (and describe the steps taken to confirm) that Meta has not reduced or offset any participant benefits in relation to its implementation and maintenance of the Reinsurance Arrangement as required by paragraph (k) below;

(h) The Independent Fiduciary must not (1) enter into any agreement or instrument that violates ERISA section 410 or section 2509.75-4 of the Department's regulations, or (2) enter into any agreement, arrangement, or understanding that includes any provision that provides for the direct, or indirect, indemnification or reimbursement of the Independent Fiduciary by the Plan or other party for

any failure to adhere to its contractual obligations or to state or Federal laws applicable to the Independent Fiduciary's work, or waives any rights, claims, or remedies of the Plan under ERISA, state, or Federal law against the Independent Fiduciary with respect to the transaction(s) that are the subject of the exemption;

(i) Neither Meta nor any affiliate may use participant-related data or information generated by, or derived from, the Reinsurance Arrangement in a manner that benefits Meta or any affiliated entity;

(j) All the facts and representations set forth in the Summary of Facts and Representation must be true and accurate at all times;

(k) Meta will not offset or reduce any benefits provided to Plan participants and beneficiaries in connection with its implementation of the Reinsurance Arrangement in order to defray the costs, expenses, or obligations of complying with the exemption conditions;

(l) The Plan will only contract with a Fronting Insurer that is unrelated to Meta or any of its affiliates, and that has a financial strength rating of "A" or better from A.M. Best. For purposes of this provision, the term "unrelated" means that the Fronting Insurer is not owned or controlled by Meta or any of its affiliates in whole or in part;

(m) The Plan pays no more than adequate consideration with respect to insurance that is part of the Reinsurance Arrangement covered by the proposed exemption;

(n) In the event a successor Independent Fiduciary is appointed to represent the interests of the Plan with respect to the subject transaction, no time shall elapse between the resignation or termination of the former Independent Fiduciary and the appointment of the successor Independent Fiduciary;

(o) All expenses associated with the exemption and the exemption application, including any payment to the Independent Fiduciary, must be paid solely by Meta and not the Plan;

(p) Meta may adjust the Benefit Enhancements to the Plan at any time if such adjustment is approved in advance by the Independent Fiduciary after the Independent Fiduciary first determines that each adjusted Benefit Enhancement is in the interest of the Plan's participants and beneficiaries and available to them on an equal basis. The cost incurred by Meta to fund the Benefit Enhancement may be used to determine whether the Primary Benefit Test has been met but may not be considered to address a Shortfall if the

Primary Benefit Test has not been met with respect to a five-year period, unless in accordance with Section III(a)(3)(A) and (B). A complete description of any new Benefit Enhancements and the Independent Fiduciary's rationale and determinations regarding such enhancements must be included in the next Independent Fiduciary report submitted to the Department;

(q) The Reinsurance Arrangement between Ekahi and Prudential or any successor Fronting Insurer must be indemnity insurance only. The arrangement must not relieve a Fronting Insurer from any responsibility or liability to the Plan, including liability that would result if Ekahi fails to meet any of its contractual obligations to Prudential or any successor Fronting Insurer under the Reinsurance Arrangement. Further, the executed reinsurance contract between the Fronting Insurer and Ekahi will expressly state (by rider, addendum, amendment, etc.) that, in the event that Ekahi is insolvent, unable or unwilling to pay any claims, or otherwise prevented from paying any claims, the Fronting Insurer remains solely obligated to pay any claim properly incurred by the Plan and its participants and beneficiaries;

(r) The Plan document and Summary Plan Description (SPD) will be revised within 90 days after the final exemption is published in the **Federal Register** to include a summary of the Reinsurance Arrangement, an explanation of why the arrangement constitutes a transaction prohibited by ERISA (including an explanation of why Ekahi is a party in interest), and the citation for this exemption as published in the **Federal Register**. The revision must also state that the Plan is currently relying on an individual prohibited transaction exemption granted by the U.S. Department of Labor. The revision to the Plan and SPD must be conspicuously displayed and not contained in a footnote. The Plan Administrator must distribute the updated SPD to all Plan participants within six months after the publication date of the granted exemption.

(s) If the Reinsurance Arrangement is terminated, the Plan Administrator will revise and update the SPD accordingly. The Plan Administrator will then distribute the updated SPD to all Plan participants within six months after the termination of the Reinsurance Arrangement.

(t) Meta, and its affiliates, must maintain all the records necessary to demonstrate the conditions of the exemption have been met with respect to all the prohibited transactions

described in this exemption for a period of six years from the date of any prohibited transaction for which the exemption provides relief. Meta must provide these records to the Department within 30 days after the date the Department requests these records.

Applicability Date: This exemption will be in effect for the period beginning on the date of its publication in the **Federal Register**.

Signed at Washington, DC, this 3rd day of July 2025.

Christopher Motta,

Acting Director, Office of Exemption Determinations, Employee Benefits Security Administration, U.S. Department of Labor.

[FR Doc. 2025-12641 Filed 7-7-25; 8:45 am]

BILLING CODE 4510-29-P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice: 25-022]

Notice of Intent To Grant an Exclusive, Co-Exclusive or Partially Exclusive Patent License

AGENCY: National Aeronautics and Space Administration (NASA).

ACTION: Notice of Intent to Grant exclusive, co-exclusive or partially exclusive patent license.

SUMMARY: NASA hereby gives notice of its intent to grant an exclusive, co-exclusive or partially exclusive patent license to practice the inventions described and claimed in the patents and/or patent applications listed in **SUPPLEMENTARY INFORMATION** below.

DATES: The prospective exclusive, co-exclusive or partially exclusive license may be granted unless NASA receives written objections including evidence and argument, no later than July 23, 2025 that establish that the grant of the license would not be consistent with the requirements regarding the licensing of federally owned inventions as set forth in the Bayh-Dole Act and implementing regulations. Competing applications completed and received by NASA no later than July 23, 2025 will also be treated as objections to the grant of the contemplated exclusive, co-exclusive or partially exclusive license. Objections submitted in response to this notice will not be made available to the public for inspection and, to the extent permitted by law, will not be released under the Freedom of Information Act.

Objections and Further Information: Written objections relating to the prospective license or requests for further information may be submitted to Agency Counsel for Intellectual

Property, NASA Headquarters at Email: hq-patentoffice@mail.nasa.gov. Questions may be directed to Phone: (202) 358-0646.

SUPPLEMENTARY INFORMATION: NASA intends to grant an exclusive, co-exclusive, or partially exclusive patent license in the United States to practice the inventions described and claimed in: U.S. Patent Application No. 17/999,875 entitled "Human-Powered Ventilator" to Kinnor Technologies LLC having its principal place of business in Orange Beach, Alabama. The fields of use may be limited. NASA has not yet made a final determination to grant the requested license and may deny the requested license even if no objections are submitted within the comment period.

This notice of intent to grant an exclusive, co-exclusive or partially exclusive patent license is issued in accordance with 35 U.S.C. 209(e) and 37 CFR 404.7(a)(1)(i). The patent rights in these inventions have been assigned to the United States of America as represented by the Administrator of the National Aeronautics and Space Administration. The prospective license will comply with the requirements of 35 U.S.C. 209 and 37 CFR 404.7.

Information about other NASA inventions available for licensing can be found online at <http://technology.nasa.gov>.

Trenton J. Roche,

Agency Counsel for Intellectual Property, National Aeronautics and Space Administration.

[FR Doc. 2025-12630 Filed 7-7-25; 8:45 am]

BILLING CODE 7510-13-P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice: 25-023]

Notice of Intent To Grant an Exclusive, Co-Exclusive or Partially Exclusive Patent License

AGENCY: National Aeronautics and Space Administration (NASA).

ACTION: Notice of Intent to Grant exclusive, co-exclusive or partially exclusive patent license.

SUMMARY: NASA hereby gives notice of its intent to grant an exclusive, co-exclusive or partially exclusive patent license to practice the inventions described and claimed in the patents and/or patent applications listed in **SUPPLEMENTARY INFORMATION** below.

DATES: The prospective exclusive, co-exclusive or partially exclusive license may be granted unless NASA receives

written objections including evidence and argument, no later than July 23, 2025 that establish that the grant of the license would not be consistent with the requirements regarding the licensing of federally owned inventions as set forth in the Bayh-Dole Act and implementing regulations. Competing applications completed and received by NASA no later than July 23, 2025 will also be treated as objections to the grant of the contemplated exclusive, co-exclusive or partially exclusive license.

Objections submitted in response to this notice will not be made available to the public for inspection and, to the extent permitted by law, will not be released under the Freedom of Information Act.

Objections and Further Information: Written objections relating to the prospective license or requests for further information may be submitted to Agency Counsel for Intellectual Property, NASA Headquarters at Email: hq-patentoffice@mail.nasa.gov. Questions may be directed to Phone: (202) 358-0646.

SUPPLEMENTARY INFORMATION: NASA intends to grant an exclusive, co-exclusive, or partially exclusive patent license in the United States to practice the inventions described and claimed in: U.S. Patent No. 12,209,980 B2 for an invention titled "Adsorbate Analysis Using Optically Stimulated Electron Emission," to Analytical Mechanics Associates having its principal place of business in 21 Enterprise Parkway, Hampton, VA 23666. The fields of use may be limited. NASA has not yet made a final determination to grant the requested license and may deny the requested license even if no objections are submitted within the comment period.

This notice of intent to grant an exclusive, co-exclusive or partially exclusive patent license is issued in accordance with 35 U.S.C. 209(e) and 37 CFR 404.7(a)(1)(i). The patent rights in these inventions have been assigned to the United States of America as represented by the Administrator of the National Aeronautics and Space Administration. The prospective license will comply with the requirements of 35 U.S.C. 209 and 37 CFR 404.7.

Information about other NASA inventions available for licensing can be found online at <http://technology.nasa.gov>.

Trenton J. Roche,

*Agency Counsel for Intellectual Property,
National Aeronautics and Space
Administration.*

[FR Doc. 2025-12629 Filed 7-7-25; 8:45 am]

BILLING CODE 7510-13-P

NUCLEAR REGULATORY COMMISSION

[NRC-2025-0214]

Monthly Notice; Applications and Amendments to Facility Operating Licenses and Combined Licenses Involving No Significant Hazards Considerations

AGENCY: Nuclear Regulatory
Commission.

ACTION: Monthly notice.

SUMMARY: Pursuant to section 189a.(2) of the Atomic Energy Act of 1954, as amended (the Act), the U.S. Nuclear Regulatory Commission (NRC) is publishing this regular monthly notice. The Act requires the Commission to publish notice of any amendments issued, or proposed to be issued, and grants the Commission the authority to issue and make immediately effective any amendment to an operating license or combined license, as applicable, upon a determination by the Commission that such amendment involves no significant hazards consideration (NSHC), notwithstanding the pendency before the Commission of a request for a hearing from any person.

DATES: Comments must be filed by August 7, 2025. A request for a hearing or petitions for leave to intervene must be filed by September 8, 2025. This monthly notice includes all amendments issued, or proposed to be issued, from May 23, 2025, to June 18, 2025. The last monthly notice was published on June 10, 2025.

ADDRESSES: You may submit comments by any of the following methods however, the NRC encourages electronic comment submission through the Federal rulemaking website.

- *Federal rulemaking Website:* Go to <https://www.regulations.gov> and search for Docket ID NRC-2025-0214. Address questions about Docket IDs in *Regulations.gov* to Bridget Curran; telephone: 301-415-1003; email: Bridget.Curran@nrc.gov. For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.

- *Mail comments to:* Office of Administration, Mail Stop: TWFN-7-A60M, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, ATTN: Program Management, Announcements and Editing Staff.

For additional direction on obtaining information and submitting comments, see "Obtaining Information and Submitting Comments" in the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT:

Kathleen Entz, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-2464; email: Kathleen.Entz@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC 2025-0214, facility name, unit number(s), docket number(s), application date, and subject when contacting the NRC about the availability of information for this action. You may obtain publicly available information related to this action by any of the following methods:

- *Federal Rulemaking Website:* Go to <https://www.regulations.gov> and search for Docket ID NRC 2025-0214.

- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "Begin Web-based ADAMS Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, at 301-415-4737, or by email to PDR.Resource@nrc.gov. For the convenience of the reader, instructions about obtaining materials referenced in this document are provided in the "Availability of Documents" section.

- *NRC's PDR:* The PDR, where you may examine and order copies of publicly available documents, is open by appointment. To make an appointment to visit the PDR, please send an email to PDR.Resource@nrc.gov or call 1-800-397-4209 or 301-415-4737, between 8 a.m. and 4 p.m. eastern time (ET), Monday through Friday, except Federal holidays.

B. Submitting Comments

The NRC encourages electronic comment submission through the Federal rulemaking website (<https://www.regulations.gov>). Please include Docket ID NRC-2025-0214, facility name, unit number(s), docket number(s), application date, and subject, in your comment submission.

The NRC cautions you not to include identifying or contact information that you do not want to be publicly disclosed in your comment submission. The NRC will post all comment submissions at <https://www.regulations.gov> as well as enter the comment submissions into ADAMS. The NRC does not routinely edit

comment submissions to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the NRC, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that the NRC does not routinely edit comment submissions to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Notice of Consideration of Issuance of Amendments to Facility Operating Licenses and Combined Licenses and Proposed No Significant Hazards Consideration Determination

For the facility-specific amendment requests shown in this notice, the Commission finds that the licensees' analyses provided, consistent with section 50.91 of title 10 of the *Code of Federal Regulations* (10 CFR) "Notice for public comment; State consultation," are sufficient to support the proposed determinations that these amendment requests involve NSHC. Under the Commission's regulations in 10 CFR 50.92, operation of the facilities in accordance with the proposed amendments would not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety.

The Commission is seeking public comments on these proposed determinations. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determinations.

Normally, the Commission will not issue the amendments until the expiration of 60 days after the date of publication of this notice. The Commission may issue any of these license amendments before the expiration of the 60-day period, provided that its final determination is that the amendment involves NSHC. In addition, the Commission may issue any of these amendments prior to the expiration of the 30-day comment period if circumstances change during the 30-day comment period such that failure to act in a timely way would result, for example, in derating or shutdown of the facility. If the Commission takes action on any of these amendments prior to the expiration of either the comment period or the notice

period, it will publish in the **Federal Register** a notice of issuance. If the Commission makes a final NSHC determination for any of these amendments, any hearing will take place after issuance. The Commission expects that the need to take action on any amendment before 60 days have elapsed will occur very infrequently.

A. Opportunity To Request a Hearing and Petition for Leave To Intervene

Within 60 days after the date of publication of this notice, any person (petitioner) whose interest may be affected by any of these actions may file a request for a hearing and petition for leave to intervene (petition) with respect to that action. Petitions shall be filed in accordance with the Commission's "Agency Rules of Practice and Procedure" in 10 CFR part 2. Interested persons should consult a current copy of 10 CFR 2.309. If a petition is filed, the Commission or a presiding officer will rule on the petition and, if appropriate, a notice of a hearing will be issued.

Petitions must be filed no later than 60 days from the date of publication of this notice in accordance with the filing instructions in the "Electronic Submissions (E-Filing)" section of this document. Petitions and motions for leave to file new or amended contentions that are filed after the deadline will not be entertained, absent a determination by the presiding officer that the filing demonstrates good cause by satisfying the three factors in 10 CFR 2.309(c)(1)(i) through (iii).

If a hearing is requested and the Commission has not made a final determination on the issue of no significant hazards consideration, the Commission will make a final determination on the issue of no significant hazards considerations, which will serve to establish when the hearing is held. If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing would take place after issuance of the amendment. If the final determination is that the amendment request involves a significant hazards consideration, then any hearing held would take place before the issuance of the amendment unless the Commission finds an imminent danger to the health or safety of the public, in which case it will issue an appropriate order or rule under 10 CFR part 2.

A State, local governmental body, Federally recognized Indian Tribe, or designated agency thereof, may submit

a petition to the Commission to participate as a party under 10 CFR 2.309(h) no later than 60 days from the date of publication of this notice. Alternatively, a State, local governmental body, Federally recognized Indian Tribe, or agency thereof may participate as a non-party under 10 CFR 2.315(c).

For information about filing a petition and about participation by a person, not a party, under 10 CFR 2.315, see ADAMS Accession No. ML20340A053 (<https://adamswebsearch2.nrc.gov/webSearch2/main.jsp?AccessionNumber=ML20340A053>) and on the NRC's public website at <https://www.nrc.gov/about-nrc/regulatory/adjudicatory/hearing.html#participate>.

B. Electronic Submissions (E-Filing)

All documents filed in NRC adjudicatory proceedings, including documents filed by an interested State, local governmental body, Federally recognized Indian Tribe, or designated agency thereof that requests to participate under 10 CFR 2.315(c), must be filed in accordance with 10 CFR 2.302. The E-Filing process requires participants to submit and serve all adjudicatory documents over the internet, or in some cases, to mail copies on electronic storage media, unless an exemption permitting an alternative filing method, as further discussed, is granted. Detailed guidance on electronic submissions is located in the "Guidance for Electronic Submissions to the NRC" (ADAMS Accession No. ML13031A056) and on the NRC's public website at <https://www.nrc.gov/site-help/e-submittals.html>.

To comply with the procedural requirements of E-Filing, at least 10 days prior to the filing deadline, the participant should contact the Office of the Secretary by email at Hearing.Docket@nrc.gov, or by telephone at 301-415-1677, to (1) request a digital identification (ID) certificate, which allows the participant (or its counsel or representative) to digitally sign submissions and access the E-Filing system for any proceeding in which it is participating; and (2) advise the Secretary that the participant will be submitting a petition or other adjudicatory document (even in instances in which the participant, or its counsel or representative, already holds an NRC-issued digital ID certificate). Based upon this information, the Secretary will establish an electronic docket for the proceeding if the Secretary has not already established an electronic docket.

Information about applying for a digital ID certificate is available on the

NRC's public website at <https://www.nrc.gov/site-help/e-submittals/getting-started.html>. After a digital ID certificate is obtained and a docket created, the participant must submit adjudicatory documents in Portable Document Format. Guidance on submissions is available on the NRC's public website at <https://www.nrc.gov/site-help/electronic-sub-ref-mat.html>. A filing is considered complete at the time the document is submitted through the NRC's E-Filing system. To be timely, an electronic filing must be submitted to the E-Filing system no later than 11:59 p.m. ET on the due date. Upon receipt of a transmission, the E-Filing system time-stamps the document and sends the submitter an email confirming receipt of the document. The E-Filing system also distributes an email that provides access to the document to the NRC's Office of the General Counsel and any others who have advised the Office of the Secretary that they wish to participate in the proceeding, so that the filer need not serve the document on those participants separately. Therefore, applicants and other participants (or their counsel or representative) must apply for and receive a digital ID certificate before adjudicatory documents are filed to obtain access to the documents via the E-Filing system.

A person filing electronically using the NRC's adjudicatory E-Filing system may seek assistance by contacting the

NRC's Electronic Filing Help Desk through the "Contact Us" link located on the NRC's public website at <https://www.nrc.gov/site-help/e-submittals.html>, by email to MSHD.Resource@nrc.gov, or by a toll-free call at 1-866-672-7640. The NRC Electronic Filing Help Desk is available between 9 a.m. and 6 p.m., ET, Monday through Friday, except Federal holidays.

Participants who believe that they have good cause for not submitting documents electronically must file an exemption request, in accordance with 10 CFR 2.302(g), with their initial paper filing stating why there is good cause for not filing electronically and requesting authorization to continue to submit documents in paper format. Such filings must be submitted in accordance with 10 CFR 2.302(b)–(d). Participants filing adjudicatory documents in this manner are responsible for serving their documents on all other participants. Participants granted an exemption under 10 CFR 2.302(g)(2) must still meet the electronic formatting requirement in 10 CFR 2.302(g)(1), unless the participant also seeks and is granted an exemption from 10 CFR 2.302(g)(1).

Documents submitted in adjudicatory proceedings will appear in the NRC's electronic hearing docket, which is publicly available at <https://adams.nrc.gov/ehd>, unless excluded pursuant to an order of the presiding officer. If you do not have an NRC-

issued digital ID certificate as previously described, click "cancel" when the link requests certificates and you will be automatically directed to the NRC's electronic hearing docket where you will be able to access any publicly available documents in a particular hearing docket. Participants are requested not to include personal privacy information such as social security numbers, home addresses, or personal phone numbers in their filings unless an NRC regulation or other law requires submission of such information. With respect to copyrighted works, except for limited excerpts that serve the purpose of the adjudicatory filings and would constitute a Fair Use application, participants should not include copyrighted materials in their submission.

The following table provides the plant name, docket number, date of application, ADAMS accession number, and location in the application of the licensees' proposed NSHC determinations. For further details with respect to these license amendment applications, see the applications for amendment, which are available for public inspection in ADAMS. For additional direction on accessing information related to this document, see the "Obtaining Information and Submitting Comments" section of this document.

LICENSE AMENDMENT REQUESTS

Constellation Energy Generation, LLC; Dresden Nuclear Power Station, Unit 1, Grundy County, IL

Docket No	50–010.
Application Date	March 17, 2025.
ADAMS Accession No	ML25076A562.
Location in Application of NSHC	Pages 3–4 of Attachment 1.
Brief Description of Amendment	The proposed amendment would modify Technical Specifications (TS) 5.1.A, "Site and Exclusion Area," for Dresden Nuclear Power Station (Dresden), Unit 1, to align with Dresden, Units 2 and 3, TS 4.1.1, "Site and Exclusion Area Boundaries," and removes the specific acreage value. All three units share the same exclusion area. Removing the specific acreage value does not change the site area boundary or exclusion area but prevents the need for future amendments if the site acreage calculation changes with no change in boundary.
Proposed Determination	NSHC.
Name of Attorney for Licensee, Mailing Address	Jason Zorn, Associate General Counsel, Constellation Energy Generation, LLC 4300 Winfield Road Warrenville, IL 60555.
NRC Project Manager, Telephone Number	Tanya Hood, 301–415–1387.

Entergy Louisiana, LLC, and Entergy Operations, Inc.; River Bend Station, Unit 1; West Feliciana Parish, LA; Entergy Operations, Inc., System Energy Resources, Inc., Cooperative Energy, A Mississippi Electric Cooperative, and Entergy Mississippi, LLC; Grand Gulf Nuclear Station, Unit 1; Claiborne County, MS; Entergy Operations, Inc.; Arkansas Nuclear One, Units 1 and 2; Pope County, AR; Entergy Operations, Inc.; Waterford Steam Electric Station, Unit 3; St. Charles Parish, LA

Docket Nos	50–313, 50–368, 50–382, 50–416, 50–458.
Application Date	April 29, 2025.
ADAMS Accession No	ML25119A223.
Location in Application of NSHC	Pages 21–23 of the Enclosure.

LICENSE AMENDMENT REQUESTS—Continued

Brief Description of Amendments	The proposed amendments would revise the technical specifications (TSs) for Arkansas Nuclear One, Units 1 and 2; Grand Gulf Nuclear Station, Unit 1; River Bend Station, Unit 1; and Waterford Steam Electric Station, Unit 3 (Waterford 3). Specifically, the proposed amendments would adopt Technical Specifications Task Force (TSTF) Traveler TSTF-596, "Expand the Applicability of the Surveillance Frequency Control Program (SFCP)," Revision 2, which is an approved change to the Standard Technical Specifications. TSTF-596, Revision 2, expands the applicability of the SFCP to include other periodic testing frequencies in TSs. The proposed amendments also would revise the SFCP to reference additional regulatory mechanisms that may be used to control surveillance frequencies, such as 10 CFR 50.55a and 10 CFR 50.69. The proposed amendments also revise surveillance requirements that reference the Inservice Testing Program to instead reference the SFCP. Additionally, a Ventilation Filter Testing Program, which is included in Revision 0 of NUREG 1432, "Standard Technical Specifications—Combustion Engineering Plants," would be added into the Waterford 3 TSs.
Proposed Determination	NSHC.
Name of Attorney for Licensee, Mailing Address	Susan Raimo, Associate General Counsel, Nuclear, 101 Constitution Avenue NW, Washington, DC 20001.
NRC Project Manager, Telephone Number	Michael Mahoney, 301-415-3867.

Holtec Decommissioning International, LLC; Oyster Creek Nuclear Generating Station; Forked River, NJ

Docket No	50-219.
Application Dates	August 1, 2024, as supplemented by letters dated March 27, 2025, April 29, 2025, May 13, 2025.
ADAMS Accession Nos	ML24214A037, ML25086A156, ML25119A267 (Package), ML25133A131.
Location in Application of NSHC	Section 5.2. of Enclosure 1 (ML24214A037).
Brief Description of Amendment	The proposed amendment would incorporate the Oyster Creek Nuclear Generating Station's License Termination Plan (LTP). The LTP is a comprehensive plan outlining how the site will be decommissioned and how the residual radioactivity will be addressed to meet the criteria for unrestricted use and upon approval, would become a supplement to the Oyster Creek Nuclear Generating Station's Final Safety Analysis Report.
Proposed Determination	NSHC.
Name of Attorney for Licensee, Mailing Address	Erin Connolly, Corporate Counsel-Legal, Holtec International, Krishna P. Singh Technology Campus, 1 Holtec Blvd., Camden, NJ 08104.
NRC Project Manager, Telephone Number	Amy Snyder, 301-415-6822.

NextEra Energy Seabrook, LLC; Seabrook Station, Unit 1; Rockingham County, NH

Docket No	50-443.
Application Date	May 12, 2025.
ADAMS Accession No	ML25132A013.
Location in Application of NSHC	Pages 7-8 of the Enclosure.
Brief Description of Amendment	The proposed license amendment would change the Emergency Action Levels for Initiating Condition HU4 in procedure ER 1.1, "Classification of Emergencies" procedure due to implementation of a new fire detection system inside the Seabrook Containment Building.
Proposed Determination	NSHC.
Name of Attorney for Licensee, Mailing Address	Steven Hamrick, Senior Attorney, 801 Pennsylvania Ave. NW, Suite 220 Washington, D.C. 20004.
NRC Project Manager, Telephone Number	Ricardo Lantigua, 301-415-5107.

R.E. Ginna Nuclear Power Plant, LLC and Constellation Energy Generation, LLC; R.E. Ginna Nuclear Power Plant; Wayne County, NY

Docket No	50-244.
Application Date	May 20, 2025.
ADAMS Accession No	ML25140A128.
Location in Application of NSHC	Section 4.2 of Attachment 1.
Brief Description of Amendment	The proposed license amendment change would extend the Completion Time for Technical Specification 3.6.6 "Containment Spray (CS), Containment Recirculation Fan Cooler (CRFC), and NaOH Systems," the required Action B Sodium Hydroxide (NaOH) system inoperable. Specifically, the proposed change extends the Required Action B Completion Time to Restore NaOH System to OPERABLE status from 72 hours to 14 days.
Proposed Determination	NSHC.
Name of Attorney for Licensee, Mailing Address	Jason Zorn, Associate General Counsel, Constellation Energy Generation, LLC, 101 Constitution Ave, NW, Suite 400 East, Washington, DC 20001.
NRC Project Manager, Telephone Number	V. Sreenivas, 301-415-2597.

Southern Nuclear Operating Company, Inc.; Vogtle Electric Generating Plant, Units 1 and 2; Burke County, GA

Docket Nos	50-424, 50-425.
Application Date	May 12, 2025.
ADAMS Accession No	ML25132A313.
Location in Application of NSHC	Pages E-21 to E-23 of the Enclosure.
Brief Description of Amendment	The proposed license amendment requests would revise the Vogtle Electric Generating Plant, Units 1 and 2, licensing basis to support a full scope application of an Alternate Source Term methodology following the guidance in Regulatory Guide 1.183, Revision 1.

LICENSE AMENDMENT REQUESTS—Continued

Proposed Determination	NSHC.
Name of Attorney for Licensee, Mailing Address	Millicent Ronnlund, Vice President and General Counsel, Southern Nuclear Operating Co., Inc., P.O. Box 1295, Birmingham, AL 35201-1295.
NRC Project Manager, Telephone Number	Jack Minzer Bryant, 301-415-0610.
Southern Nuclear Operating Company, Inc.; Vogtle Electric Generating Plant, Units 3 and 4; Burke County, GA	
Docket Nos	52-025, 52-026.
Application Date	May 22, 2025.
ADAMS Accession No	ML25142A172.
Location in Application of NSHC	Pages E-4 and E-5 of the Enclosure.
Brief Description of Amendment	The proposed license amendment requests would change the technical specifications to include "nominal" to clarify requirements for spent fuel assembly initial enrichment.
Proposed Determination	NSHC.
Name of Attorney for Licensee, Mailing Address	Millicent Ronnlund, Vice President and General Counsel, Southern Nuclear Operating Co., Inc., P.O. Box 1295, Birmingham, AL 35201-1295.
NRC Project Manager, Telephone Number	John Lamb, 301-415-3100.

III. Notice of Issuance of Amendments to Facility Operating Licenses and Combined Licenses

During the period since publication of the last monthly notice, the Commission has issued the following amendments. The Commission has determined for each of these amendments that the application complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR chapter I, which are set forth in the license amendment.

A notice of consideration of issuance of amendment to facility operating

license or combined license, as applicable, proposed NSHC determination, and opportunity for a hearing in connection with these actions, were published in the **Federal Register** as indicated in the safety evaluation for each amendment.

Unless otherwise indicated, the Commission has determined that these amendments satisfy the criteria for categorical exclusion in accordance with 10 CFR 51.22. Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared for these amendments. If the Commission has prepared an environmental assessment under the special circumstances provision in 10 CFR 51.22(b) and has

made a determination based on that assessment, it is so indicated in the safety evaluation for the amendment.

For further details with respect to each action, see the amendment and associated documents such as the Commission's letter and safety evaluation, which may be obtained using the ADAMS accession numbers indicated in the following table. The safety evaluation will provide the ADAMS accession numbers for the application for amendment and the **Federal Register** citation for any environmental assessment. All of these items can be accessed as described in the "Obtaining Information and Submitting Comments" section of this document.

LICENSE AMENDMENT ISSUANCES

Arizona Public Service Company, et al; Palo Verde Nuclear Generating Station, Units 1, 2, and 3; Maricopa County, AZ	
Docket Nos	50-528, 50-529, 50-530.
Amendment Date	May 30, 2025.
ADAMS Accession No	ML25126A076.
Amendment Nos	225 (Unit 1), 225 (Unit 2), 225 (Unit 3).
Brief Description of Amendments	The amendments modified Technical Specification (TS) Section 3.5.1, "Safety Injection Tanks (SITs)—Operating," and TS Section 3.5.2, "Safety Injection Tanks (SITs)—Shutdown," and their bases. In addition, the amendments included the use of Generation of Thermal Hydraulic Information for Containments code as part of the methodology to perform calculations of the containment pressure and temperature response to the postulated pipe breaks.
Public Comments Received as to Proposed NSHC (Yes/No).	No.
Duke Energy Carolinas, LLC; Catawba Nuclear Station, Unit Nos. 1 and 2; York County, SC; Duke Energy Progress, LLC; H. B. Robinson Steam Electric Plant, Unit No. 2; Darlington County, SC; Duke Energy Progress, LLC; Shearon Harris Nuclear Power Plant, Unit 1; Wake and Chatham Counties, NC	
Docket Nos	50-413, 50-414, 50-261, 50-400.
Amendment Date	June 2, 2025.
ADAMS Accession No	ML25086A296.
Amendment Nos	321 (Catawba, Unit No. 1), 317 (Catawba, Unit No. 2), 203 (Harris), 281 (Robinson).

LICENSE AMENDMENT ISSUANCES—Continued

Brief Description of Amendments	The amendments revised technical specifications (TS) for Catawba Nuclear Station, Units 1 and 2 (CNS); Shearon Harris Nuclear Power Plant, Unit No. 1 (HNP); and H. B. Robinson Steam Electric Plant, Unit No. 2 (RNP), to Adopt Technical Specifications Task Force (TSTF) Traveler TSTF–234–A, Revision 1, “Add Action for More Than One DRPI [Digital Rod Position Indication] Inoperable.” The amendments also modified CNS TS 3.1.7, “Rod Position Indication,” RNP TS 3.1.7, “Rod Position Indication,” and HNP TS 3.1.3.2, “Position Indication Systems—Operating,” to add a Condition (Action for HNP) for more than one inoperable rod position indication per group. For CNS and RNP only, the amendments also modified the Action Note and provided clarification to the existing Required Actions A.1 and B.1.
Public Comments Received as to Proposed NSHC (Yes/No).	No.
Northern States Power Company; Prairie Island Nuclear Generating Plant, Units 1 and 2; Goodhue County, MN	
Docket Nos	50–282, 50–306.
Amendment Date	June 9, 2025.
ADAMS Accession No	ML25111A239.
Amendment Nos	247 (Unit 1), 235 (Unit 2).
Brief Description of Amendments	The amendments revised the technical specification (TS) definition of reactor trip system (RTS) response time to allow allocation of response times in lieu of testing using methodologies proposed in the license amendment request and revises applicability of Surveillance Requirement 3.3.1.16 to RTS trip functions in TS Table 3.3.1–1.
Public Comments Received as to Proposed NSHC (Yes/No).	No.
Pacific Gas and Electric Company; Diablo Canyon Nuclear Power Plant, Units 1 and 2; San Luis Obispo County, CA	
Docket Nos	50–275, 50–323.
Amendment Date	May 28, 2025.
ADAMS Accession No	ML25098A308.
Amendment Nos	250 (Unit 1), 252 (Unit 2).
Brief Description of Amendments	The amendments revised technical specifications to adopt Technical Specifications Task Force (TSTF) Traveler TSTF–541, “Add Exceptions to Surveillance Requirements for Valves and Dampers Locked in the Actuated Position,” which is an approved change to the Standard Technical Specifications.
Public Comments Received as to Proposed NSHC (Yes/No).	No.
Southern Nuclear Operating Company, Inc.; Vogtle Electric Generating Plant, Units 3 and 4; Burke County, GA	
Docket Nos	52–025, 52–026.
Amendment Date	May 30, 2025.
ADAMS Accession No	ML25122A101.
Amendment Nos	201 (Unit 3), 198 (Unit 4).
Brief Description of Amendments	The amendments revised the technical specifications (TSs) to adopt Technical Specifications Task Force (TSTF) Traveler TSTF–554, “Revise Reactor Coolant Leakage Requirements,” for the Vogtle Electric Generating Plant, Units 3 and 4. The amendments revised the TS definition of “Leakage,” clarified the requirements when pressure boundary leakage is detected, and added a Required Action when pressure boundary leakage is identified.
Public Comments Received as to Proposed NSHC (Yes/No).	No.
Tennessee Valley Authority; Browns Ferry Nuclear Plant, Units 1, 2, and 3; Limestone County, AL	
Docket Nos	50–259, 50–260, 50–296.
Amendment Date	May 27, 2025.
ADAMS Accession No	ML25093A254.
Amendment Nos	335 (Unit 1), 358 (Unit 2), 318 (Unit 3).
Brief Description of Amendments	The amendments revised the Browns Ferry Nuclear Plant, Units 1, 2, and 3, Technical Specification (TS) 3.4.3, “Overpressure Protection System (OPS),” and TS 5.6.5, “Core Operating Limits Report (COLR),” to reflect the adoption of Technical Specifications Task Force (TSTF) Traveler TSTF–576, Revision 3, “Revise Safety/Relief Valve Requirements.”
Public Comments Received as to Proposed NSHC (Yes/No).	No.
Vistra Operations Company LLC; Comanche Peak Nuclear Power Plant, Unit Nos. 1 and 2; Somervell County, TX	
Docket Nos	50–445, 50–446.
Amendment Date	May 22, 2025.
ADAMS Accession No	ML25121A142.
Amendment Nos	191 (Unit 1), 191 (Unit 2).

LICENSE AMENDMENT ISSUANCES—Continued

Brief Description of Amendments	The amendments modified the Comanche Peak Nuclear Power Plant, Unit Nos. 1 and 2, technical specifications to adopt Technical Specifications Task Force (TSTF) Traveler TSTF–522, Revision 0, to revise the surveillance requirements for certain ventilations systems with heaters operating from 10 continuous hours to 15 continuous minutes.
Public Comments Received as to Proposed NSHC (Yes/No).	No.
Wolf Creek Nuclear Operating Corporation; Wolf Creek Generating Station, Unit 1; Coffey County, KS	
Docket No	50–482.
Amendment Date	June 12, 2025.
ADAMS Accession No	ML25100A116.
Amendment No	244.
Brief Description of Amendment	The amendment revised Technical Specification 3.2.1, “Heat Flux Hot Channel Factor ($F_Q(Z)$) (F_Q Methodology),” to implement the methodology in Pressurized Water Reactor Owners Group Topical Report WCAP–17661–P–A, Revision 1, “Improved RAOC [Relaxed Axial Offset Control] and CAOC [Constant Axial Offset Control] F_Q Surveillance Technical Specifications.”
Public Comments Received as to Proposed NSHC (Yes/No).	No.

Dated: June 30, 2025.

For the Nuclear Regulatory Commission.

Jamie Pelton,

Director, Division of Operating Reactor Licensing, Office of Nuclear Reactor Regulation.

[FR Doc. 2025–12367 Filed 7–7–25; 8:45 am]

BILLING CODE 7590–01–P

POSTAL REGULATORY COMMISSION

[Docket Nos. K2025–141; MC2025–1551 and K2025–1545; MC2025–1552 and K2025–1546; MC2025–1553 and K2025–1547; MC2025–1554 and K2025–1548]

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:* July 10, 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 3011.301.¹

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). The Public Representative does not represent any individual person, entity or particular point of view, and, when Commission attorneys are appointed, no attorney-client relationship is established.

¹ 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).

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).*: K2025–141; *Filing Title:* USPS Request Concerning Amendment One to Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 521, with Materials Filed Under Seal; *Filing Acceptance*

Date: July 1, 2025; *Filing Authority:* 39 CFR 3035.105 and 39 CFR 3041.505; *Public Representative:* Almaroof Agoro; *Comments Due:* July 10, 2025.

2. *Docket No(s):* MC2025–1551 and K2025–1545; *Filing Title:* USPS Request to Add Priority Mail & USPS Ground Advantage Contract 795 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* July 1, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Almaroof Agoro; *Comments Due:* July 10, 2025.

3. *Docket No(s):* MC2025–1552 and K2025–1546; *Filing Title:* USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 1383 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* July 1, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Maxine Bradley; *Comments Due:* July 10, 2025.

4. *Docket No(s):* MC2025–1553 and K2025–1547; *Filing Title:* USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 1384 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* July 1, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Elsie Lee-Robbins; *Comments Due:* July 10, 2025.

5. *Docket No(s):* MC2025–1554 and K2025–1548; *Filing Title:* USPS Request to Add Priority Mail & USPS Ground Advantage Contract 796 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* July 1, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Evan Wise; *Comments Due:* July 10, 2025.

III. Summary Proceeding(s)

None. See Section II for public proceedings.

This Notice will be published in the **Federal Register**.

Erica A. Barker,
Secretary.

[FR Doc. 2025–12662 Filed 7–7–25; 8:45 am]

BILLING CODE 7710–FW–P

POSTAL REGULATORY COMMISSION

[Docket No. C2025–7; Order No. 8958]

Complaint

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is providing notice that the Complainants and the Postal Service have jointly moved to stay the instant proceedings pending final decision of a United States Court of Appeals case. This document grants the joint motion.

ADDRESSES: Documents can be accessed electronically through the Commission's website at <https://www.prc.gov>.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202–789–6820.

SUPPLEMENTARY INFORMATION:

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- I. Introduction and Commission Analysis
- II. Ordering Paragraphs

I. Introduction and Commission Analysis

On June 26, 2025, Copper Beech Townhome Communities Twenty One, LLC and Copper Beach Townhome Communities Thirty Six, LLC (Complainants) and the Postal Service jointly moved to stay the current proceedings pending the final decision of the United States Court of Appeals for the District of Columbia in *Edwards v. Postal Regul. Comm'n*, No. 24–1370 (D.C. Cir., appeal filed Nov. 27, 2024) (*Edwards* appeal).¹ In support, the parties note that the Commission, while allowing several of Complainants' claims to proceed, has also held several counts in abeyance pending the resolution of the *Edwards* appeal.² The parties explain that staying the proceedings “will conserve the parties’ and the Commission’s resources” by avoiding unnecessary or possibly duplicative discovery. Joint Motion at 1–2.

For the reasons given by the parties in their joint motion, the Commission will stay the proceedings pending the final decision of the United States Court of Appeals for the District of Columbia in the *Edwards* appeal.

II. Ordering Paragraphs

It is ordered:

1. The Joint Motion to Stay Proceedings, filed June 26, 2025, is granted.
2. The Commission shall stay Docket No. C2025–7 pending the final decision of the United States Court of Appeals for the District of Columbia in *Edwards v.*

¹ Joint Motion to Stay Proceedings, June 26, 2025, at 1 (Joint Motion).

² Joint Motion at 1 (citing Order Partially Denying United States Postal Service's Motion to Dismiss the February 5, 2025 Amended Complaint and Notice of Limited Formal Proceedings, May 1, 2025 (Order No. 8827)).

Postal Regul. Comm'n, No. 24–1370 (D.C. Cir., appeal filed Nov. 27, 2024).

3. The Secretary shall arrange for publication of this Order, or abstract thereof, in the **Federal Register**.

By the Commission.

Erica A. Barker,
Secretary.

[FR Doc. 2025–12679 Filed 7–7–25; 8:45 am]

BILLING CODE 7710–FW–P

POSTAL REGULATORY COMMISSION

[Docket Nos. CP2024–373; K2024–33; K2025–351; MC2025–1555 and K2025–1549]

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:* July 11, 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 3011.301.¹

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). The Public Representative does not represent any individual person, entity or particular point of view, and, when Commission attorneys are appointed, no attorney-client relationship is established. 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)*: CP2024–373; *Filing Title*: USPS Request Concerning Amendment One to Priority Mail

Express, Priority Mail & USPS Ground Advantage Contract 111, with Materials Filed Under Seal; *Filing Acceptance Date*: July 2, 2025; *Filing Authority*: 39 CFR 3035.105 and 39 CFR 3041.505; *Public Representative*: Arif Hafiz; *Comments Due*: July 11, 2025.

2. *Docket No(s)*: K2024–33; *Filing Title*: USPS Request Concerning Amendment One to Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 384, with Materials Filed Under Seal; *Filing Acceptance Date*: July 2, 2025; *Filing Authority*: 39 CFR 3035.105 and 39 CFR 3041.505; *Public Representative*: Arif Hafiz; *Comments Due*: July 11, 2025.

3. *Docket No(s)*: K2025–351; *Filing Title*: USPS Request Concerning Amendment One to Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 686, with Materials Filed Under Seal; *Filing Acceptance Date*: July 2, 2025; *Filing Authority*: 39 CFR 3035.105 and 39 CFR 3041.505; *Public Representative*: Gregory Stanton; *Comments Due*: July 11, 2025.

4. *Docket No(s)*: MC2025–1555 and K2025–1549; *Filing Title*: USPS Request to Add Priority Mail Contract 901 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date*: July 2, 2025; *Filing Authority*: 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative*: Evan Wise; *Comments Due*: July 11, 2025.

III. Summary Proceeding(s)

None. See Section II for public proceedings.

This Notice will be published in the **Federal Register**.

Erica A. Barker,
Secretary.

[FR Doc. 2025–12678 Filed 7–7–25; 8:45 am]

BILLING CODE 7710–FW–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103370; File No. SR–PHLX–2024–72]

Self-Regulatory Organizations; Nasdaq Phlx, LLC; Notice of Designation of a Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To Permit the Trading of FLEX Options on Shares of the iShares Bitcoin Trust ETF

July 2, 2025.

On December 26, 2024, pursuant to Section 19(b)(1) of the Securities

Exchange Act of 1934 (“Act”)¹ and Rule 19b–4 thereunder,² Nasdaq Phlx, LLC (“Exchange”) filed with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend Options 8, Section 34, FLEX Trading, to permit options on shares of the iShares Bitcoin Trust ETF to trade as cash-settled and physically settled FLEX equity options. The proposed rule change was published for comment in the **Federal Register** on January 14, 2025.³ The Commission received comments regarding the proposal.⁴ On February 27, 2025, pursuant to Section 19(b)(2) of the Act,⁵ the Commission designated a longer period within which to approve the proposal, disapprove the proposal, or institute proceedings to determine whether to disapprove the proposal.⁶ On March 14, 2025, the Commission instituted proceedings pursuant to Section 19(b)(2)(B) of the Act⁷ to determine whether to approve or disapprove the proposed rule change.⁸

Section 19(b)(2) of the Act⁹ provides that, after initiating disapproval proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for notice and comment in the **Federal Register** on January 14, 2025.¹⁰ July 13, 2025, is 180 days from that date, and September 11, 2025, is 240 days from that date.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 102132 (Jan. 7, 2025), 90 FR 3266.

⁴ Comments received regarding the proposal are available at <https://www.sec.gov/comments/sr-phlx-2024-72/srphlx202472.htm>.

⁵ 15 U.S.C. 78s(b)(2).

⁶ See Securities Exchange Act Release No. 102497 (Feb. 27, 2025), 90 FR 11334 (Mar. 5, 2025) (designating April 14, 2025, as the date by which the Commission shall either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change).

⁷ 15 U.S.C. 78s(b)(2)(B).

⁸ See Securities Exchange Act Release No. 102669, 90 FR 13226 (Mar. 20, 2025).

⁹ 15 U.S.C. 78s(b)(2).

¹⁰ See *supra* note 3.

¹ 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).

the proposed rule change and the comments received. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,¹¹ designates September 11, 2025, as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR-Phlx-2024-72).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹²

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025-12620 Filed 7-7-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-XXXX]

Proposed Collection; Comment Request; Request for New OMB Control Number: Form G-FIN, Form G-FINW, Form G-FIN-4, and Form G-FIN-5

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 (“SEC” or “Commission”) is soliciting comments on the proposed collection of information.

Under Section 15C(a)(1)(B) of the Securities Exchange Act of 1934 (“Act”) and regulations adopted by the Department of the Treasury, certain financial institutions that are government securities brokers or government securities dealers submit information regarding their government securities activities to their appropriate regulatory authority (“ARA”) on the Form G-FIN, 17 CFR 499.1, Form G-FINW, 17 CFR 449.2, Form G-FIN-4, 17 CFR 449.3, and Form G-FIN-5, 17 CFR 449.4. The Commission is designated as the ARA for certain of these financial institutions.¹ These institutions have not been engaged in government securities activities in the past and,

therefore, have not been required to file the forms with the Commission. We do not anticipate that these financial institutions will submit the forms in the future, but we are requesting an OMB Control Number in the event circumstances change.

The information collections in the forms are mandatory and, if any financial institutions are required to file the forms with the Commission, the Commission would use the information to ensure that financial institutions and persons who are or are seeking to be associated persons of financial institutions are in compliance with Section 15C(a)(1)(B) of the Act and with the rules of the Department of the Treasury. As a placeholder, the Commission staff estimates that there would be one respondent per year for each form, and that the estimated annual burden for filing the Form G-FIN is 1.25 hours, the Form G-FINW is .5 hours, the Form G-FIN-4 is 2.25 hours, and the Form G-FIN-5 is 1.25 hours. Information filed on Form G-FIN and Form G-FINW is available to the public, while the information provided by each respondent on Form G-FIN-4 and G-FIN-5 is regarded as 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 OMB Control Number.

Written comments are invited on: (a) whether this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC’s estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

Please direct your written comments on this 60-Day Collection Notice to Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Tanya Ruttenberg via email to PaperworkReductionAct@sec.gov by September 5, 2025. There will be a second opportunity to comment on this SEC request following the **Federal Register** publishing a 30-Day Submission Notice.

Dated: July 2, 2025.

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025-12613 Filed 7-7-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 35664; File No. 812-15832]

Star Mountain Lower Middle-Market Capital Corp., and Star Mountain Fund Management, LLC

July 2, 2025.

AGENCY: Securities and Exchange Commission (“Commission” or “SEC”).

ACTION: Notice.

Notice of an application under Section 6(c) of the Investment Company Act of 1940 (“Act”) for an exemption from Sections 18(a)(2), 18(c), 18(i), and 61(a) of the Act.

SUMMARY OF APPLICATION: Applicants request an order to permit certain registered closed-end investment companies that have elected to be regulated as business development companies to issue multiple classes of shares with varying sales loads and asset-based distribution and/or service fees.

APPLICANTS: Star Mountain Lower Middle-Market Capital Corp., and Star Mountain Fund Management, LLC.

FILING DATE: The application was filed on June 13, 2025.

HEARING OR NOTIFICATION OF HEARING: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing on any application by emailing the SEC’s Secretary at Secretarys-Office@sec.gov and serving the Applicants with a copy of the request by email, if an email address is listed for the relevant Applicant below, or personally or by mail, if a physical address is listed for the relevant Applicant below.

Hearing requests should be received by the Commission by 5:30 p.m. on July 28, 2025, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to rule 0-5 under the Act, hearing requests should state the nature of the writer’s interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by emailing the Commission’s Secretary at Secretarys-Office@sec.gov.

¹¹ *Id.*

¹² 17 CFR 200.30-3(a)(57).

¹ The Commission is the ARA for state chartered banks or state chartered trust companies that are not members of the Federal Reserve System and whose deposits are not insured by the Federal Deposit Insurance Corporation and for any other financial institutions for which the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, or the Federal Deposit Insurance Corporation is not the ARA.

ADDRESSES: The Commission: *Secretaries-Office@sec.gov*. Applicants: Austin Ericson, Chief Compliance Officer, Star Mountain Fund Management, LLC, 140 East 45th Street, 37th Floor, New York, New York 10017 and copies to: Richard Horowitz, Esq., Dechert LLP, 1095 Avenue of the Americas, New York, New York 10036, and Alexander Karampatos, Esq., Dechert LLP, 1900 K Street NW, Washington, DC 20006.

FOR FURTHER INFORMATION CONTACT: Trace W. Rakestraw, Senior Counsel at (202) 551-6825 (Division of Investment Management, Chief Counsel's Office).

SUPPLEMENTARY INFORMATION: For Applicants' representations, legal analysis, and conditions, please refer to Applicants' Application, dated June 13, 2025, which may be obtained via the Commission's website by searching for the file number at the top of this document, or for an Applicant using the Company name search field, on the SEC's EDGAR system. The SEC's EDGAR system may be searched at, <https://www.sec.gov/edgar/searchedgar/companysearch>. You may also call the SEC's Office of Investor Education and Advocacy at (202) 551-8090.

For the Commission, by the Division of Investment Management, under delegated authority.

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025-12622 Filed 7-7-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103372; File No. SR-FINRA-2025-009]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend FINRA Rule 6897 (Consolidated Audit Trail Funding Fees) To Establish Fees for Industry Members Related to Reasonably Budgeted Costs of the National Market System Plan Governing the Consolidated Audit Trail for the Period From July 1, 2025 Through December 31, 2025

July 2, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on June 24, 2025, the Financial Industry Regulatory

Authority, Inc. ("FINRA") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as "establishing or changing a due, fee or other charge" under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2) thereunder,⁴ which renders the proposal effective upon receipt of this filing by the Commission. 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

FINRA is proposing to amend FINRA Rule 6897 (Consolidated Audit Trail Funding Fees) to establish fees for Industry Members⁵ related to reasonably budgeted Consolidated Audit Trail ("CAT") costs of the National Market System Plan Governing the Consolidated Audit Trail (the "CAT NMS Plan" or "Plan") for the period from July 1, 2025 through December 31, 2025. These fees would be payable to Consolidated Audit Trail, LLC ("CAT LLC" or the "Company") and referred to as "CAT Fee 2025-2." The fee rate for CAT Fee 2025-2 would be \$0.000009 per executed equivalent share. CAT Executing Brokers will receive their first monthly invoice for CAT Fee 2025-2 in August 2025 calculated based on their transactions as CAT Executing Brokers for the Buyer ("CEBB") and/or CAT Executing Brokers for the Seller ("CEBS") in July 2025. As described further below, CAT Fee 2025-2 is anticipated to be in place for six months, and is anticipated to recover approximately one-half of the costs set forth in the reasonably budgeted CAT costs for 2025. CAT LLC intends for CAT Fee 2025-2 to replace CAT Fee 2025-1 (which has a fee rate of \$0.000022), as discussed herein.⁶

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

⁵ An "Industry Member" is defined as "a member of a national securities exchange or a member of a national securities association." See FINRA Rule 6810(u). See also Section 1.1 of the CAT NMS Plan. Unless otherwise specified, capitalized terms used in this rule filing are defined as set forth in the CAT NMS Plan and/or the CAT Compliance Rule. See FINRA Rule 6800 Series (Consolidated Audit Trail Compliance Rule).

⁶ See FINRA Rule 6897(a)(1)(D) of FINRA Rule Series 6800 (Consolidated Audit Trail Compliance Rule). See also Securities Exchange Act Release No. 102053 (December 30, 2024), 90 FR 700 (January 6, 2025) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2024-023) ("Fee Filing for CAT Fee 2025-1").

The text of the proposed rule change is available on FINRA's website at <https://www.finra.org>, at the principal office of FINRA 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, FINRA 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. FINRA 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

On July 11, 2012, the Commission adopted Rule 613 of Regulation NMS, which required the self-regulatory organizations ("SROs") to submit a national market system ("NMS") plan to create, implement and maintain a consolidated audit trail that would capture customer and order event information for orders in NMS securities across all markets, from the time of order inception through routing, cancellation, modification or execution.⁷ On November 15, 2016, the Commission approved the CAT NMS Plan.⁸ Under the CAT NMS Plan, the Operating Committee has the discretion to establish funding for CAT LLC to operate the CAT, including establishing fees for Industry Members to be assessed by CAT LLC that would be implemented on behalf of CAT LLC by the Participants.⁹ The Operating Committee adopted a revised funding model to fund the CAT ("CAT Funding Model"). On September 6, 2023, the Commission approved the CAT Funding Model after concluding that the model was reasonable and that it satisfied the requirements of Section 11A of the Exchange Act and Rule 608 thereunder.¹⁰

The CAT Funding Model provides a framework for the recovery of the costs

⁷ See Securities Exchange Act Release No. 67457 (July 18, 2012), 77 FR 45722 (August 1, 2012).

⁸ See Securities Exchange Act Release No. 79318 (November 15, 2016), 81 FR 84696 (November 23, 2016) ("CAT NMS Plan Approval Order").

⁹ See Section 11.1(b) of the CAT NMS Plan.

¹⁰ See Securities Exchange Act Release No. 98290 (September 6, 2023), 88 FR 62628 (September 12, 2023) ("CAT Funding Model Approval Order").

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

to create, develop and maintain the CAT, including providing a method for allocating costs to fund the CAT among Participants and Industry Members. The CAT Funding Model establishes two categories of fees: (1) CAT fees assessed by CAT LLC and payable by certain Industry Members to recover a portion of historical CAT costs previously paid by the Participants (“Historical CAT Assessment” fees); and (2) CAT fees assessed by CAT LLC and payable by Participants and Industry Members to fund prospective CAT costs (“CAT Fees”).¹¹

Under the CAT Funding Model, Participants, CEBBs and CEBSs are subject to fees designed to cover the ongoing budgeted costs of the CAT, as determined by the Operating Committee. “The Operating Committee will establish fees (“CAT Fees”) to be payable by Participants and Industry Members with regard to CAT costs not previously paid by the Participants (“Prospective CAT Costs”).”¹² In establishing a CAT Fee, the Operating Committee will calculate a “Fee Rate” for the relevant period. Then, for each month in which a CAT Fee is in effect, each CEBB and CEBS would be required to pay the fee for each transaction in Eligible Securities executed by the CEBB or CEBS from the prior month as set forth in CAT Data, where the fee for each transaction will be calculated by multiplying the number of executed equivalent shares in the transaction by one-third and by the Fee Rate.¹³

The CAT Fees to be paid by CEBBs and CEBSs are designed to contribute toward the recovery of two-thirds of the budgeted CAT costs for the relevant period.¹⁴ The CAT Funding Model allocates the remaining one-third of the budgeted CAT costs to the Participants.¹⁵ Participants would be

subject to the same Fee Rate as CEBBs and CEBSs.¹⁶ While CAT Fees charged to Industry Members become effective in accordance with the requirements of Section 19(b) of the Exchange Act,¹⁷ CAT fees charged to Participants are implemented via an approval of the CAT fees by the Operating Committee in accordance with the requirements of the CAT NMS Plan.¹⁸ Accordingly, this filing does not address Participant CAT fees as they are described in the CAT NMS Plan.¹⁹

CAT LLC proposes to charge CEBBs and CEBSs (as described in more detail below) CAT Fee 2025–2 to recover the reasonably budgeted CAT costs for the period from July 1, 2025 through December 31, 2025 in accordance with the CAT Funding Model. To implement this fee on behalf of CAT LLC, the CAT NMS Plan requires the Participants to “file with the SEC under Section 19(b) of the Exchange Act any such fees on Industry Members that the Operating Committee approves, and such fees shall be labeled as ‘Consolidated Audit Trail Funding Fees.’”²⁰ The Plan further states that “[o]nce the Operating Committee has approved such Fee Rate, the Participants shall be required to file with the SEC pursuant to Section 19(b) of the Exchange Act CAT Fees to be charged to Industry Members calculated using such Fee Rate.”²¹ Accordingly, the purpose of this filing is to implement a CAT Fee on behalf of CAT LLC for Industry Members, referred to as CAT Fee 2025–2, in accordance with the CAT NMS Plan.

(1) CAT Executing Brokers

CAT Fee 2025–2 will be charged to each CEBB and CEBS for each applicable transaction in Eligible Securities.²² The CAT NMS Plan defines a “CAT Executing Broker” to mean:

(a) with respect to a transaction in an Eligible Security that is executed on an exchange, the Industry Member identified as the Industry Member responsible for the order on the buy-side of the transaction and the Industry Member responsible for the sell-side of the transaction in the equity order trade event and option trade event in the CAT Data submitted to the CAT by the relevant exchange pursuant to the Participant Technical Specifications; and (b) with respect to a transaction in an Eligible Security that is executed otherwise than on an exchange and required to be reported to an equity trade reporting facility of a registered national securities association, the Industry Member identified as the executing broker and the Industry Member identified as the contra-side executing broker in the TRF/ORF/ADF transaction data event in the CAT Data submitted to the CAT by FINRA pursuant to the Participant Technical Specifications; provided, however, in those circumstances where there is a non-Industry Member identified as the contra-side executing broker in the TRF/ORF/ADF transaction data event or no contra-side executing broker is identified in the TRF/ORF/ADF transaction data event, then the Industry Member identified as the executing broker in the TRF/ORF/ADF transaction data event would be treated as CAT Executing Broker for the Buyer and for the Seller.²³

Fields Nos. 26 and 28 of the Participant Technical Specifications, listed below, indicate the CAT Executing Brokers for transactions executed otherwise than on an exchange.²⁴

¹¹ Under the CAT Funding Model, the Operating Committee may establish CAT Fees related to CAT costs going forward. See Section 11.3(a) of the CAT NMS Plan. This filing only establishes CAT Fee 2025–2 related to reasonably budgeted CAT costs for the period from July 1, 2025 through December 31, 2025 as described herein; it does not address any other potential CAT Fees related to CAT costs. Any such other CAT Fee will be subject to a separate fee filing. In addition, under the CAT Funding Model, the Operating Committee may establish one or more Historical CAT Assessments. See Section 11.3(b) of the CAT NMS Plan. This filing does not address any Historical CAT Assessments.

¹² See Section 11.3(a) of the CAT NMS Plan.

¹³ In approving the CAT Funding Model, the Commission stated that, “[t]he proposed recovery of Prospective CAT Costs is appropriate.” See CAT Funding Model Approval Order, 88 FR 62628, 62651.

¹⁴ See Section 11.3(a)(iii)(A) of the CAT NMS Plan.

¹⁵ See Section 11.3(a)(ii)(A) of the CAT NMS Plan.

¹⁶ See Section 11.3(a)(ii) of the CAT NMS Plan.

¹⁷ See Section 11.3(a)(i)(A)(I) of the CAT NMS Plan.

¹⁸ See CAT Funding Model Approval Order, 88 FR 62628, 62659.

¹⁹ See Section 11.3(a)(ii) and Appendix B of the CAT NMS Plan.

²⁰ See Section 11.1(b) of the CAT NMS Plan.

²¹ See Section 11.3(a)(i)(A)(I) of the CAT NMS Plan.

²² In its approval of the CAT Funding Model, the Commission determined that charging CAT fees to CAT Executing Brokers was reasonable. In reaching this conclusion, the Commission noted that the use of CAT Executing Brokers is appropriate because the CAT Funding Model is based upon the calculation of executed equivalent shares, and, therefore, charging CAT Executing Brokers would reflect their executing role in each transaction. Furthermore, the Commission noted that, because CAT Executing Brokers are already identified in transaction reports from the exchanges and FINRA’s equity trade reporting facilities recorded in CAT Data, charging CAT Executing Brokers could

streamline the billing process. CAT Funding Model Approval Order, 88 FR 62628, 62629.

²³ See Section 1.1 of the CAT NMS Plan. CEBBs and CEBSs may, but are not required to, pass-through their CAT Fees to their clients, who may, in turn, pass their fees to their clients until they are imposed ultimately on the account that executed the transaction. See CAT Funding Model Approval Order, 88 FR 62628, 62649.

²⁴ Supplementary Material .01 to Rule 6897 provides clarity as to the manner in which the CAT Executing Brokers for transactions executed otherwise than on an exchange would be determined. Specifically, for a transaction in an Eligible Security executed otherwise than on an exchange and required to be reported to a FINRA Trade Reporting Facility (“TRF”), the FINRA OTC Reporting Facility (“ORF”), or the FINRA Alternative Display Facility (“ADF”), the CEBB and CEBS are the members identified as the executing broker and the contra-side executing broker in the TRF/ORF/ADF transaction data event in CAT Data. In those circumstances where there is a non-member identified as the contra-side executing broker in the TRF/ORF/ADF transaction data event or no contra-side executing broker is identified in the TRF/ORF/ADF transaction data event, then the member identified as the executing broker in the TRF/ORF/ADF transaction data event would be treated as, and be required to pay the fee assessed to, both the CEBB and CEBS.

TRF/ORF/ADF TRANSACTION DATA EVENT²⁵

#	Field name	Data type	Description	Include key
26	reportingExecutingMpid	Member Alias	MPID of the executing party	R
28	contraExecutingMpid	Member Alias	MPID of the contra-side executing party	C

(2) Calculation of Fee Rate 2025–2

The Operating Committee determined the Fee Rate to be used in calculating CAT Fee 2025–2 (“Fee Rate 2025–2”) by dividing the reasonably budgeted CAT costs (“Budgeted CAT Costs 2025–2”) for the period from July 1, 2025 through December 31, 2025 (“CAT Fee 2025–2 Period”) by the reasonably projected total executed share volume of all transactions in Eligible Securities for the six-month recovery period, as discussed in detail below.²⁶ Based on this calculation, the Operating Committee has determined that Fee Rate 2025–2 would be \$0.00002651641828376661 per executed equivalent share. This rate is then divided by three and rounded to determine the fee rate of \$0.000009 per executed equivalent share that will be assessed to CEBBs and CEBBs, as also discussed in detail below.

(A) CAT Fee 2025–2 Period

CAT LLC proposes to implement CAT Fee 2025–2 as the third CAT Fee related to Prospective CAT Costs. CAT LLC proposes to commence CAT Fee 2025–2 during the year, rather than at the beginning of the year. Accordingly, CAT Fee 2025–2 “would be calculated as described in paragraph (II)” of Section 11.3(a)(i)(A) of the CAT NMS Plan,²⁷ which states that “[d]uring each year, the Operating Committee will calculate a new Fee Rate by dividing the reasonably budgeted CAT costs for the remainder of the year by the reasonably projected total executed equivalent share volume of all transactions in Eligible Securities for the remainder of the year.”²⁸ For CAT Fee 2025–2, the reasonably budgeted CAT costs for “the remainder of the year” are the reasonably budgeted CAT costs from July 1, 2025 through December 31, 2025 as set forth in the updated annual budget for 2025 for CAT LLC approved by the Operating Committee on May 19, 2025 (“Updated 2025 CAT Budget”).²⁹

²⁵ See Table 61, Section 6.1 (TRF/ORF/ADF Transaction Data Event) of the CAT Reporting Technical Specifications for Plan Participants.

²⁶ See Section 11.3(a)(i) of the CAT NMS Plan.

²⁷ See Section 11.3(a)(i)(A)(IV) of the CAT NMS Plan.

²⁸ See Section 11.3(a)(i)(A)(II) of the CAT NMS Plan.

²⁹ See Consolidated Audit Trail, LLC 2025 Financial and Operating Budget (Updated 2025

(B) Executed Equivalent Shares for Transactions in Eligible Securities

Under the CAT NMS Plan, for purposes of calculating CAT Fees, executed equivalent shares in a transaction in Eligible Securities will be reasonably counted as follows: (1) each executed share for a transaction in NMS Stocks will be counted as one executed equivalent share; (2) each executed contract for a transaction in Listed Options will be counted based on the multiplier applicable to the specific Listed Options (*i.e.*, 100 executed equivalent shares or such other applicable multiplier); and (3) each executed share for a transaction in OTC Equity Securities will be counted as 0.01 executed equivalent share.³⁰

(C) Budgeted CAT Costs 2025–2

The CAT NMS Plan states that “[t]he budgeted CAT costs for the year shall be comprised of all reasonable fees, costs and expenses reasonably budgeted to be incurred by or for the Company in connection with the development, implementation and operation of the CAT as set forth in the annual operating budget approved by the Operating Committee pursuant to Section 11.1(a) of the CAT NMS Plan, or as adjusted during the year by the Operating Committee.”³¹ Section 11.1(a) of the CAT NMS Plan describes the requirement for the Operating Committee to approve an operating budget for CAT LLC on an annual basis. It requires the budget to “include the projected costs of the Company, including the costs of developing and operating the CAT for the upcoming year, and the sources of all revenues to cover such costs, as well as the funding of any reserve that the Operating Committee reasonably deems appropriate for the prudent operation of

(CAT Budget), https://www.catnmsplan.com/sites/default/files/2025-05/05.19.25-CAT-LLC-2025-Financial_and_Operating-Budget.pdf.

³⁰ See Section 11.3(a)(i)(B) of the CAT NMS Plan. In approving the CAT Funding Model, the Commission concluded that “the use of executed equivalent share volume as the basis of the proposed cost allocation methodology is reasonable and consistent with the approach taken by the funding principles of the CAT NMS Plan.” See CAT Funding Model Approval Order, 88 FR 62628, 62640.

³¹ See Section 11.3(a)(i)(C) of the CAT NMS Plan.

the Company.” Section 11.1(a)(i) of the CAT NMS Plan further states that:

[w]ithout limiting the foregoing, the reasonably budgeted CAT costs shall include technology (including cloud hosting services, operating fees, CAIS operating fees, change request fees and capitalized developed technology costs), legal, consulting, insurance, professional and administration, and public relations costs, a reserve and such other cost categories as reasonably determined by the Operating Committee to be included in the budget.

In accordance with the requirements under the CAT NMS Plan, the Operating Committee approved an annual budget for 2025 for CAT LLC (“Original 2025 CAT Budget”) in November 2024.³² In May 2025, the Operating Committee approved an updated budget for 2025, referred to as the Updated 2025 CAT Budget. The Updated 2025 CAT Budget includes actual costs for each category for the first quarter of 2025, with updated estimated costs for each category for the second, third and fourth quarters of 2025. The updated costs for the third and fourth quarters set forth in the Updated 2025 CAT Budget (*i.e.*, Budgeted CAT Costs 2025–2) are the costs used in calculating CAT Fee 2025–2. The 2025 CAT budgets, both the Original 2025 CAT Budget and the Updated 2025 CAT Budget, were prepared on the accrual basis of accounting, whereas prior CAT budgets were prepared on the cash basis of accounting.³³ As described in detail below, the Budgeted CAT Costs 2025–2 would be \$60,726,412. CEBBs collectively will be responsible for one-third of the Budgeted [*sic*] CAT Costs

³² See Consolidated Audit Trail, LLC 2025 Financial and Operating Budget (Original 2025 CAT Budget), https://www.catnmsplan.com/sites/default/files/2024-11/11.20.24-CAT-LLC-2025-Financial_and_Operating-Budget.pdf.

³³ CAT budgets for periods prior to 2025 were prepared on the cash basis of accounting, as such budgets were primarily used to determine the dollar amount of promissory notes from the Participants that were required to fund the ongoing operations of the CAT. Commencing in 2025, with the contemplated recovery of costs from Industry Members and the Participants via CAT Fees, the Original 2025 CAT Budget was prepared on the accrual basis of accounting to properly match projected revenues with estimated expenses incurred. A cash basis budget reflects expenditures when paid, while an accrual basis budget reflects expenditures when incurred. In moving from a cash basis budget to an accrual basis budget there is no double counting of expenses.

2025–2 (which is \$20,242,137.33), and CEBs collectively will be responsible for one-third of the Budgeted CAT Costs 2025–2 (which is \$20,242,137.33).

The following describes in detail the Budgeted CAT Costs 2025–2 for CAT Fee 2025–2. The following cost details are provided in accordance with the requirement in the CAT NMS Plan to provide in the fee filing the following:

the budget for the upcoming year (or remainder of the year, as applicable), including a brief description of each line

item in the budget, including (1) technology line items of cloud hosting services, operating fees, CAIS operating fees, change request fees and capitalized developed technology costs, (2) legal, (3) consulting, (4) insurance, (5) professional and administration, and (6) public relations costs, a reserve and/or such other categories as reasonably determined by the Operating Committee to be included in the budget, and the reason for changes in each such line item from the prior CAT fee filing.³⁴

Each of the costs described below are reasonable, appropriate and necessary

for the creation, implementation and maintenance of CAT.

The following table breaks down the Budgeted CAT Costs 2025–2 into the categories set forth in Section 11.3(a)(iii)(B) of the CAT NMS Plan.³⁵ The Budgeted CAT Costs 2025–2 reflect the costs set forth in the third and fourth quarters of the Updated 2025 CAT Budget. The Budgeted CAT Costs 2025–2 are the costs used in calculating CAT Fee 2025–2.

Budget category	Budgeted CAT Costs 2025–2 ^b (i.e., costs for Q3–Q4 of 2025)
Capitalized Developed Technology Costs ^a	^c \$0
Technology Costs	108,551,142
Cloud Hosting Services	^d 82,222,276
Operating Fees	^e 15,453,942
CAIS Operating Fees	^f 10,374,924
Change Request Fees	^g 500,000
Legal	^h 3,631,342
Consulting	ⁱ 866,167
Insurance	^j 1,594,452
Professional and administration	^k 609,818
Public relations	^l 0
Subtotal	115,252,921
Reserve	^m (54,526,510)
Total Budgeted CAT Costs 2025–2	60,726,412

^a The non-cash amortization of these capitalized developed technology costs to be incurred during the CAT Fee 2025–2 Period have been appropriately excluded from the above table.³⁶

^b Budgeted CAT Costs 2025–2 described in this table of costs were determined based an analysis of a variety of factors, including historical costs/invoices, estimated costs from respective vendors/service providers, contractual terms with vendors/service providers, anticipated service levels and needs, and discussions with vendors and Participants.

^c This cost number for capitalized developed technology costs is calculated by adding together the Capitalized Developed Technology Costs and the Software License Fee—2025, each for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: (\$0 + \$0) + (\$0 + \$0) = \$0.

^d This cost number for cloud hosting services is calculated by adding together the cloud hosting services costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$40,362,043 + \$41,860,233 = \$82,222,276.

^e This cost number for operating fees is calculated by adding together the operating fees and the Cyber Insurance Premium Adjustment, each for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: (\$7,225,473 + \$7,225,473) + (\$501,498 + \$501,498) = \$15,453,942.

^f This cost number for CAIS operating fees is calculated by adding together the CAIS operating fees for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$5,187,462 + \$5,187,462 = \$10,374,924.

^g This cost number for change request fees is calculated by adding together the placeholder for possible change requests for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$250,000 + \$250,000 = \$500,000.

^h This cost number for legal services is calculated by adding together the legal costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$1,815,671 + \$1,815,671 = \$3,631,342.

ⁱ This cost number for consulting services is calculated by adding together the consulting costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$433,084 + \$433,083 = \$866,167.

^j This cost number for insurance is calculated by adding together the insurance costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$1,594,452 + \$0 = \$1,594,452.

^k This cost number for professional and administration services is calculated by adding together the professional and administration costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$414,818 + \$195,000 = \$609,818.

^l This cost number for public relations is calculated by adding together the public relations costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$0 + \$0 = \$0.

^m This reduction in the reserve is calculated by adding together the 25% Incremental Liquidity Reserve Accrued during 2025 for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$27,263,255 + \$27,263,255 = \$54,526,510.

To the extent that CAT LLC enters into notes with Participants or others to pay costs incurred during the period in which CAT Fee 2025–2 is in effect, CAT LLC will use the proceeds from CAT Fee

2025–2 and the related Participant CAT fees to repay such notes.

The following table compares the annual budgeted CAT costs as set forth in the updated annual CAT budget for

2024 approved by the Operating Committee in July 2024 (“Updated 2024 CAT Budget”),³⁷ the Original 2025 CAT Budget and the Updated 2025 CAT Budget, and is provided for

³⁴ See Section 11.3(a)(iii)(B) of the CAT NMS Plan.

³⁵ Note that costs and related cost calculations provided in this filing may reflect minor variations from the budgeted costs due to rounding.

³⁶ With respect to certain costs that were “appropriately excluded,” such excluded costs

relate to the amortization of capitalized technology costs, which are amortized over the life of the Plan Processor Agreement. As such costs have already been otherwise reflected in the filing, their inclusion would double count the capitalized technology costs. In addition, amortization is a non-cash expense.

³⁷ See Consolidated Audit Trail, LLC 2024 Financial and Operating Budget—Mid-Year Update—July 2024, https://www.catnmsplan.com/sites/default/files/2024-08/07.31.24-CAT-LLC-2024-Financial_and_Operating-Budget.pdf.

informational purposes. In each case, the costs provided reflect the costs for the entire year for each of the budgets;

this differs from the above chart which focuses on budgeted costs for only the third and fourth quarters of 2025,

which, as noted, are the costs that are used in the calculation of the fee rate in this fee filing.

Budget category	Full Year 2024 budgeted CAT costs from updated 2024 CAT budget ^a	Full Year 2025 budgeted CAT costs from original 2025 CAT budget	Full Year 2025 budgeted CAT costs from updated 2025 CAT budget
Capitalized Developed Technology Costs ^b	\$7,761,480	\$3,923,360	\$4,871,962
Technology Costs:	196,921,118	234,925,808	211,548,471
Cloud Hosting Services	148,789,981	182,594,630	159,230,937
Operating Fees ^c	27,768,718	30,831,330	30,817,686
CAIS Operating Fees	20,199,919	20,749,848	20,749,848
Change Request Fees	162,500	750,000	750,000
Legal	8,146,599	5,720,000	7,370,002
Consulting	1,600,000	1,750,000	1,749,998
Insurance	1,342,345	1,594,452	1,594,452
Professional and administration	823,930	882,456	1,193,090
Public relations	93,275	50,000	6,575
Subtotal	216,688,747	248,846,076	228,334,551
Reserve	13,847,693	23,842,200	(13,858,958)
Total Budgeted CAT Costs	230,536,440	272,688,276	214,475,593

^a As noted above, the Updated 2024 CAT Budget was prepared on the cash basis of accounting, while the Original 2025 CAT Budget and the Updated 2025 CAT Budget were prepared on the accrual basis of accounting.

^b This cost number is calculated by adding together the Capitalized Developed Technology Costs and the Software License Fee for each budget.

^c This cost number is calculated by adding together the Operating fees and the Cyber Insurance Premium Adjustment for each budget.

In addition, the following table compares the first quarter of the Original 2025 CAT Budget with the first quarter of the Updated 2025 CAT Budget. The Updated 2025 CAT Budget includes actual costs for January,

February and March 2025, whereas the Original 2025 CAT Budget included budgeted costs for these three months. The variance from the first quarter of the Original 2025 CAT Budget to the actuals for the first quarter of 2025 (as set forth

in the Updated 2025 CAT Budget) in the last column of the following chart are used in this filing in supporting the reasonableness of the estimates for each category of costs.

Budget category	First quarter of original 2025 CAT budget	Actuals for first quarter of 2025	Variance from first quarter of original 2025 CAT budget to actuals for first quarter of 2025
Capitalized Developed Technology Costs ^a	\$3,923,360	\$4,871,962	Increase by \$948,602. ^b
Technology Costs:	52,490,273	49,181,253	
Cloud Hosting Services	39,640,542	36,357,017	Decrease by 3,283,525. ^c
Operating Fees ^d	7,662,270	7,636,774	Decrease by 25,496.
CAIS Operating Fees	5,187,462	5,187,462	No change.
Change Request Fees	0	0	No change.
Legal	1,430,000	1,922,990	Increase by 492,990. ^e
Consulting	437,500	450,745	Increase by 13,245.
Insurance	0	0	No change.
Professional and administration	168,750	297,513	Increase by 128,763.
Public relations	12,500	6,575	Decrease by 5,925.
Total	58,462,385	56,731,038	Decrease by 1,731,347.

^a This cost number is calculated by adding together the capitalized developed technology costs and the software license fee for each budget.

^b The variance is the result of costs related to the software license fee for CAIS in accordance with the Plan Processor Agreement with FCAT.

^c The variance is attributable to, among other things, (1) a decrease in costs related to changes made pursuant to an amendment to the CAT NMS Plan to implement cost savings measures³⁸ ("Cost Savings Amendment"), and (2) cost decreases related to optimizations resulting in reduced processing and storage costs.

^d This cost number is calculated by adding together the operating fees and the cyber insurance premium adjustment for each budget.

^e The variance is attributable to unanticipated issues that required additional legal efforts on behalf of CAT LLC that developed after the budget was created.

³⁸ See Securities Exchange Act Release No. 101901 (December 12, 2024), 89 FR 103033 (December 18, 2024) ("Cost Savings Amendment").

(i) Technology Costs—Cloud Hosting Services

(a) Description of Cloud Hosting Services Costs

Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the cloud hosting services costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$82,222,276 in technology costs for cloud hosting services for the CAT Fee 2025–2 Period. The technology costs for cloud hosting services represent costs reasonably budgeted to be incurred for services provided by the cloud services provider for the CAT, Amazon Web Services, Inc. (“AWS”) during the CAT Fee 2025–2 Period.

In the agreement between CAT LLC and the Plan Processor for the CAT (“Plan Processor Agreement”), FINRA CAT, LLC (“FCAT”), AWS was named as the subcontractor to provide cloud hosting services. Under the Plan Processor Agreement, CAT LLC is required to pay FCAT the fees incurred by the Plan Processor for cloud hosting services provided by AWS as FCAT’s subcontractor on a monthly basis for the cloud hosting services, and FCAT, in turn, pays such fees to AWS. The fees for cloud hosting services were negotiated by FCAT on an arm’s length basis with the goals of managing costs and receiving services required to comply with the CAT NMS Plan and Rule 613, taking into consideration a variety of factors, including the expected volume of data, the breadth of services provided and market rates for similar services. Services provided by AWS include storage services, databases, compute services and other services (such as networking, management tools and DevOps tools), as well as various environments for CAT, such as development, performance testing, test, and production environments. FCAT utilizes such cloud hosting services for a broad array of services for the CAT, such as data ingestion, data management, and analytic tools for the CAT. AWS performs cloud hosting services for both the CAT transaction database as well as the CAT Customer and Account Information System (“CAIS”). It is anticipated that such cloud hosting services will continue during the CAT Fee 2025–2 Period.

The cost for AWS cloud services for the CAT is a function of the volume of CAT Data, largely as a result of the processing and storage of the CAT

Data.³⁹ The greater the amount of CAT Data, the greater the cost of AWS services to CAT LLC. During the CAT Fee 2025–2 Period, it is expected that AWS will provide cloud hosting services for volumes of CAT Data far in excess of the volume predictions set forth in the CAT NMS Plan. The CAT NMS Plan states, when all CAT Reporters are submitting their data to the CAT, it “must be sized to receive[,] process and load more than 58 billion records per day,”⁴⁰ and that “[i]t is expected that the Central Repository will grow to more than 29 petabytes of raw, uncompressed data.”⁴¹ In contrast with those estimates, the Q1 2025 data volumes averaged 752 billion events per day. The Q1 2025 data volumes reflected a 30% year over year growth rate compared to Q1 2024, which averaged 577 billion events per day, and reflected a 25% increase from the prior quarter Q4 2024, which averaged 602 billion events per day. The highest peak data volume to date of 1.45 trillion events was recorded on April 7, 2025. The top five peak days were recorded in April 2025.

CAT LLC estimates that the budget for cloud hosting services costs during the CAT Fee 2025–2 Period will be approximately \$82,222,276. The budget for cloud hosting services costs during the CAT Fee 2025–2 Period is calculated based on the Updated 2025 CAT Budget. Specifically, this estimate was calculated by adding the budgeted amounts for cloud hosting services costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁴²

CAT LLC estimated the budget for the cost for cloud hosting services for the CAT Fee 2025–2 Period based on an assumption of 40% annual year-over-year volume growth for the transaction database and an assumption of 5% annual year-over-year volume growth for CAIS. CAT LLC determined these growth assumptions in coordination with FCAT based on an analysis of a variety of existing data and alternative growth scenarios. In particular, in determining to use the 40% annual year-over-year volume growth in events per day, CAT LLC considered, among other things, the average annual year-over-year volume growth for 2019

through 2024 of approximately 45%, the average annual year-over-year volume growth for 2020 through 2024 of approximately 30%, and the average monthly growth rate for 2024 of approximately 50%.⁴³

This process for estimating the budget for cloud hosting services costs for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the cloud hosting services costs for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget for cloud hosting services of \$39,640,542 for the first quarter of 2025. The actual costs for cloud hosting services for the first quarter of 2025, which are set forth in the Updated 2025 CAT Budget, were \$36,357,017. Therefore, the variance between budgeted and actual cloud hosting services costs for this period was an approximate decrease of 8%. Accordingly, CAT LLC believes that the process for estimating the budgeted cloud hosting services costs for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for cloud hosting services costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the cloud hosting services costs from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁴⁴ Specifically, the following describes the differences (if any) in the costs for cloud hosting services as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budgeted costs for cloud hosting services as set forth in the Original 2025 CAT Budget were \$182,594,630, and the annual 2025 budgeted costs for cloud hosting services as set forth in the Updated 2025 CAT Budget are \$159,230,937. Accordingly, budgeted annual costs for cloud hosting services decreased by

⁴³ Note that these growth rates are based on events processed and stored in the CAT. Executed transactions are a small subset of such events. As a result, the number of transactions in the CAT, and, hence, the number of executed equivalent shares, is not directly correlated with the number of events processed in the CAT or the costs of cloud hosting services for the CAT. Accordingly, the number of executed equivalent shares may stay relatively constant from year to year while the number of events processed and stored in the CAT may grow significantly.

⁴⁴ See Fee Filing for CAT Fee 2025–1, *supra* note 6.

³⁹ In addition to the effect of the data volume on the cloud hosting costs, the processing timelines set forth in the Plan contribute to the cloud hosting costs. For further discussion of the effect of processing timelines on cloud hosting costs, see Item IIA.2.(2)(A)(i) below.

⁴⁰ See CAT NMS Plan, Appendix D–4, n.262.

⁴¹ See CAT NMS Plan, Appendix D–5.

⁴² This calculation is \$40,362,043 + \$41,860,233 = \$82,222,276.

\$23,363,693 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget, which is an approximate 13% reduction in cloud hosting services costs for the full year of 2025.

Correspondingly, the budgeted costs for cloud hosting services for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$97,748,713,⁴⁵ and the budgeted costs for cloud hosting services for third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$82,222,276.⁴⁶ Accordingly, the budgeted costs for cloud hosting services for the third and fourth quarters of 2025 decreased by \$15,526,437 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget, which is approximately a 16% reduction in cloud hosting services costs for the third and fourth quarters of 2025.

The decrease in costs for cloud hosting services from the Original 2025 CAT Budget to the Updated 2025 CAT Budget, both for the full year for 2025 and for the third and fourth quarters of 2025, reflects (1) a decrease in costs related to changes made pursuant to the Cost Savings Amendment; (2) cost decreases related to optimizations resulting in reduced processing and storage costs; and (3) volume increases below the initial projection.

(ii) Technology Costs—Operating Fees

(a) Description of Operating Fees

Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the operating fees set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$15,453,942 in technology costs for operating fees for the CAT Fee 2025–2 Period. Operating fees are those fees paid by CAT LLC to FCAT as the Plan Processor to operate and maintain the CAT and to perform business operations related to the system, including compliance, security, testing, training, communications with the industry (e.g., management of the FINRA CAT Helpdesk, FAQs, website and webinars) and program management as required by the CAT NMS Plan. Operating fees also include market data provider costs, as discussed below.

Plan Processor: FCAT. Under the Plan Processor Agreement with FCAT, CAT LLC is required to pay FCAT a

negotiated monthly fixed price for the operation of the CAT. This fixed price contract was negotiated on an arm's length basis with the goals of managing costs and receiving services required to comply with the CAT NMS Plan and Rule 613, taking into consideration a variety of factors, including the breadth of services provided and market rates for similar types of activity. It is anticipated that FCAT will provide a variety of services to the CAT during the CAT Fee 2025–2 Period, including the following:

- Provide the CAT-related functions and services as the Plan Processor as required by SEC Rule 613 and the CAT NMS Plan in connection with the operation and maintenance of the CAT;
- Address compliance items, including drafting CAT policies and procedures, and addressing Regulation SCI requirements;
- Provide support to the Operating Committee, the Compliance Subcommittee and CAT working groups;
- Assist with interpretive efforts, exemptive requests and amendments regarding the CAT NMS Plan;
- Oversee the security of the CAT;
- Monitor the operation of the CAT, including with regard to Participant and Industry Member reporting;
- Provide support to subcontractors under the Plan Processor Agreement;
- Provide support in discussions with the Participants and the SEC and its staff;
- Operate the FINRA CAT Helpdesk;
- Facilitate communications with the industry, including via FAQs, CAT Alerts, meetings, presentations and webinars;
- Administer the CAT website and all of its content;
- Maintain cyber security insurance related to the CAT;
- Assist with billing, collection and other CAT fee-related activity; and
- Provide technical support and assistance with connectivity, data access, and user support, including the use of CAT Data and query tools, for Participants and the SEC staff.

CAT LLC calculated the budget for the FCAT technology costs for operating fees for the CAT Fee 2025–2 Period based on the recurring monthly operating fees under the Plan Processor Agreement.

Market Data Provider: Algoseek. It is anticipated that the operating fees costs for the CAT Fee 2025–2 Period will include costs related to the receipt of certain market data for the CAT pursuant to an agreement between FCAT and Algoseek, LLC (“Algoseek”). CAT LLC determined that Algoseek

would provide market data that included data elements set forth in Section 6.5(a)(ii) of the CAT NMS Plan, and that the fees were reasonable and in line with market rates for the market data received. All costs under the contract would be treated as a direct pass through cost to CAT LLC. CAT LLC estimated the budget for the costs for Algoseek for the CAT Fee 2025–2 Period based on the monthly rate set forth in the agreement between Algoseek and FCAT.

Operating Fee Estimates. CAT LLC estimates that the budget for operating fees during the CAT Fee 2025–2 Period will be approximately \$15,453,942. The budget for operating fees during the CAT Fee 2025–2 Period is calculated based on the Updated 2025 CAT Budget. Specifically, this estimate was calculated by adding the budgeted amounts for operating fees for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁴⁷

As discussed above, CAT LLC estimated the budget for the operating fees during the CAT Fee 2025–2 Period based on monthly rates set forth in the Plan Processor Agreement and the agreement with Algoseek. CAT LLC also recognized that the operating fees are generally consistent throughout the year. This process for estimating the budget for the operating fees for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the operating fees for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget for operating fees of \$7,662,270 for the first quarter of 2025.⁴⁸ The actual costs for operating fees for first quarter of 2025 were \$7,636,774.⁴⁹ Therefore, the variance between budgeted and actual operating fees for this period was not material. Accordingly, CAT LLC believes that the process for estimating the budgeted operating fees for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for operating fees from the prior CAT Fee filing. Accordingly, this filing describes the changes from the operating fees set forth in the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee

⁴⁷ This calculation is (\$7,225,473 + \$7,225,473) + (\$501,498 + \$501,498) = \$15,453,942.

⁴⁸ This calculation is \$7,221,522 + \$440,748 = \$7,662,270.

⁴⁹ This calculation is \$7,196,026 + \$440,748 = \$7,636,774.

⁴⁵ This calculation is \$46,382,724 + \$51,365,989 = \$97,748,713.

⁴⁶ This calculation is \$40,362,043 + \$41,860,233 = \$82,222,276.

2025–1.⁵⁰ Specifically, the following describes the differences (if any) in the costs for operating fees as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budgeted costs for operating fees as set forth in the Original 2025 CAT Budget were \$30,831,330,⁵¹ and the annual 2025 budgeted costs for operating fees as set forth in the Updated 2025 CAT Budget are \$30,817,686.⁵² Accordingly, budgeted annual costs for operating fees did not change materially from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the full year of 2025.

Correspondingly, the budgeted costs for operating fees for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$15,446,040,⁵³ and the budgeted costs for operating fees for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$15,453,942.⁵⁴ Accordingly, the budgeted costs for operating fees for the third and fourth quarters of 2025 did not change materially from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the third and fourth quarters of 2025.

(iii) Technology Costs—CAIS Operating Fees

(a) Description of CAIS Operating Fees

Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the CAIS operating fees set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$10,374,924 in technology costs for CAIS operating fees for the CAT Fee 2025–2 Period. CAIS operating fees represent the fees paid to FCAT for services provided with regard to the operation and maintenance of CAIS, and to perform the business operations related to the system, including compliance, security, testing, training, communications with the industry (*e.g.*, management of the FINRA CAT Helpdesk, FAQs, website and webinars) and program management. The CAT is

required under the CAT NMS Plan to capture and store Customer Identifying Information and Customer Account Information in a database separate from the transactional database and to create a CAT-Customer-ID for each Customer. As of May 31, 2024, the implementation of CAIS was completed.⁵⁵

During the CAT Fee 2025–2 Period, it is anticipated that FCAT will provide CAIS-related services. Under the Plan Processor Agreement with FCAT, CAT LLC is required to pay FCAT for CAIS-related services provided by FCAT on a monthly basis. CAT LLC negotiated the fees for FCAT's CAIS-related services on an arm's length basis with the goals of managing costs and receiving services required to comply with the CAT NMS Plan, taking into consideration a variety of factors, including the services to be provided and market rates for similar types of activity. During the CAT Fee 2025–2 Period, it is anticipated that FCAT will continue to provide services relating to the ongoing operation, maintenance and support of CAIS.

CAT LLC estimates that the budget for CAIS operating fees during the CAT Fee 2025–2 Period will be approximately \$10,374,924. The budget for CAIS operating fees during the CAT Fee 2025–2 Period is calculated based on the Updated 2025 CAT Budget. Specifically, this estimate was calculated by adding the budgeted amounts for CAIS operating fees for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁵⁶

CAT LLC calculated the budget for FCAT's CAIS-related services for the CAT Fee 2025–2 Period based on the recurring monthly CAIS operating fees under the Plan Processor Agreement. This process for estimating the budget for the CAIS operating fees for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the CAIS operating fees for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget of \$5,187,462 for CAIS operating fees for the first quarter of 2025. The actual costs for CAIS operating fees for the first quarter of 2025, which are set forth in the Updated 2025 CAT Budget, were \$5,187,462. There was no variance between budgeted and actual CAIS operating fees for the first quarter of 2025. Accordingly, CAT LLC believes that the process for estimating the budgeted

CAIS operating fees for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for CAIS operating fees from the prior CAT Fee filing. Accordingly, this filing describes the changes in CAIS operating fees from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁵⁷ Specifically, the following describes the differences (if any) in the costs for CAIS operating fees as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

CAIS operating fees are based on a recurring monthly rate payable to FCAT and are unchanged from the prior CAT Fee filing. The annual 2025 budgeted costs for CAIS operating fees as set forth in the Original 2025 CAT Budget were \$20,749,848, and the annual 2025 budgeted costs for CAIS operating fees as set forth in the Updated 2025 CAT Budget are \$20,749,848. Accordingly, the budgeted annual costs for CAIS operating fees are the same for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

Correspondingly, the budgeted costs for CAIS operating fees for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$10,374,924, and the budgeted costs for CAIS operating fees for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$10,374,924.⁵⁸ Accordingly, the budget costs for CAIS operating fees for the third and fourth quarters of 2025 are the same for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

Accordingly, there were no changes in the line item for CAIS operating fees from the prior CAT Fee filing.

(iv) Technology Costs—Change Request Fees

(a) Description of Change Request Fees

Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the change request fees set forth in the budget. The Operating Committee approved an operating

⁵⁰ See Fee Filing for CAT Fee 2025–1, *supra* note 6.

⁵¹ This calculation is \$28,886,088 + \$1,945,242 = \$30,831,330.

⁵² This calculation is \$28,872,444 + \$1,945,242 = \$30,817,686.

⁵³ This calculation is (\$7,221,522 + \$7,221,522) + (\$501,498 + \$501,498) = \$15,446,040.

⁵⁴ This calculation is (\$7,225,473 + \$7,225,473) + (\$501,498 + \$501,498) = \$15,453,942.

⁵⁵ For a discussion of the implementation timeline for CAIS, see CAT Alert 2023–01, <https://www.catnmsplan.com/sites/default/files/2024-01/01.22.24-CAT-Alert-2023-01.pdf>.

⁵⁶ This calculation is \$5,187,462 + \$5,187,462 = \$10,374,924.

⁵⁷ See Fee Filing for CAT Fee 2025–1, *supra* note 6.

⁵⁸ This calculation is \$5,187,462 + \$5,187,462 = \$10,374,924, for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$500,000 in technology costs for change request fees for the CAT Fee 2025–2 Period. The technology costs related to change request fees include costs related to certain modifications, upgrades or other changes to the CAT.

Change requests are standard practice and necessary to reflect operational changes, including changes related to new market developments, such as new market participants. In general, if CAT LLC determines that a modification, upgrade or other changes to the functionality or service is necessary and appropriate, CAT LLC will submit a request for such a change to the Plan Processor. The Plan Processor will then respond to the request with a proposal for implementing the change, including the cost (if any) of such a change. CAT LLC then determines whether to approve the proposed change.

The change request budget line is established to include expected costs to be incurred in which the nature of the costs (*i.e.*, capitalization versus expensing) have not yet been determined. Upon the incurrence of such costs, the final determination of capitalization versus expensing is determined and then such costs are reclassified from the change request line to the appropriate technology cost line item.

During the CAT Fee 2025–2 Period, it is anticipated that CAT LLC will engage FCAT to pursue certain change requests in accordance with the Plan Processor Agreement. The budget for change requests for the CAT Fee 2025–2 Period includes a placeholder of \$500,000 for potential change request fees that may be necessary in accordance with the Plan Processor Agreement. The placeholder amount was determined based on prior experience with change requests related to the CAT.

CAT LLC estimates that the budget for change requests during the CAT Fee 2025–2 Period will be approximately \$500,000. The budget for change requests during the CAT Fee 2025–2 Period is calculated based on the Updated 2025 CAT Budget. Specifically, this estimate was calculated by adding the budgeted amounts for the change requests for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁵⁹

CAT LLC estimated the budget for the potential change requests for the CAT Fee 2025–2 Period based on, among other things, a review of past change requests and potential future change

request needs, as well as discussions with FCAT. This process for estimating the budget for the change requests for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the change requests cost for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a change request budget of \$0 for the first quarter of 2025. The actual costs for change requests for the first quarter of 2025, which are set forth in the Updated 2025 CAT Budget, were \$0. There was no variance between budgeted and actual change request costs for the first quarter of 2025. Accordingly, CAT LLC believes that the process for estimating the budgeted change request costs for 2025 is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for change request fees from the prior CAT Fee filing. Accordingly, this filing describes the changes in the change request fees from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁶⁰ Specifically, the following describes the differences (if any) in the costs for change requests as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budgeted costs for change requests as set forth in the Original 2025 CAT Budget were \$750,000, and the annual 2025 budgeted costs for change requests as set forth in the Updated 2025 CAT Budget are \$750,000. Accordingly, budgeted annual costs for change requests are the same for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

Correspondingly, the budgeted costs for change requests for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$500,000, and the budgeted costs for change request for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$500,000.⁶¹ Accordingly, the budgeted costs for change requests for the third and fourth quarters of 2025 are the same for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

⁶⁰ See Fee Filing for CAT Fee 2025–1, *supra* note 6.

⁶¹ This calculation is \$250,000 + \$250,000 = \$500,000, for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

Accordingly, there were no changes in the line item for change requests from the prior CAT Fee filing.

(v) Technology Costs—Capitalized Developed Technology Costs

(a) Description of Capitalized Developed Technology Costs

Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the capitalized developed technology costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that includes \$0 in technology costs for capitalized developed technology costs for the CAT Fee 2025–2 Period. This category of costs includes the budget for capitalizable application development costs incurred in the development of the CAT. It is anticipated that such costs will include certain costs related to the software license fee for CAIS in accordance with the Plan Processor Agreement with FCAT, as well as costs related to a set of technology changes to be implemented by FCAT.

CAT LLC estimates that the budget for capitalized developed technology costs during the CAT Fee 2025–2 Period will be approximately \$0. The budget for capitalized developed technology costs during the CAT Fee 2025–2 Period is calculated based on the Updated 2025 CAT Budget. Specifically, this estimate was calculated by adding the budgeted amounts for capitalized developed technology costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁶²

CAT LLC estimated the budget for capitalized developed technology costs for the CAT Fee 2025–2 Period based on an analysis of a variety of factors, including information related to potential technology costs and related contractual and Plan requirements, and discussions with FCAT regarding such potential technology costs. This process for estimating the budget for capitalized developed technology costs for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the capitalized developed technology costs for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget for capitalized developed technology costs of \$3,923,360 for the first quarter of 2025.⁶³ The actual costs for capitalized developed technology costs for the first quarter of 2025 were

⁶² This calculation is (\$0 + \$0) + (\$0 + \$0) = \$0.

⁶³ This calculation is \$1,150,000 + \$2,773,360 = \$3,923,360.

⁵⁹ This calculation is \$250,000 + \$250,000 = \$500,000.

\$4,871,962.⁶⁴ The budgeted costs and the actual costs for the line item of capitalized developed technology costs for the first quarter of 2025 were the same: \$1,150,000. As a result, this variance is attributable to software license fees, which is the other line item included in the capitalized developed technology costs for Budgeted CAT Fees 2025–2. The variance of \$948,602 is the result of costs related to the software license fee for CAIS in accordance with the Plan Processor Agreement with FCAT. Accordingly, CAT LLC believes that the process for estimating the budgeted capitalized developed technology costs for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for capitalized developed technology costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the capitalized developed technology costs from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁶⁵ Specifically, the following describes the differences (if any) in the costs for capitalized developed technology costs as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budget for capitalized developed technology costs as set forth in the Original 2025 CAT Budget were \$3,923,360,⁶⁶ and the annual 2025 budget for capitalized developed technology costs as set forth in the Updated 2025 CAT Budget are \$4,871,962.⁶⁷ Accordingly, the annual budget for capitalized developed technology costs increased by \$948,602 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the full year of 2025. This increase in the annual budget for capitalized developed technology costs was the result of costs related to the software license fee for CAIS in accordance with the Plan Processor Agreement with FCAT.

In addition, the budget for capitalized developed technology costs for the third and fourth quarters of 2025 as set forth

in the Original 2025 CAT Budget was \$0,⁶⁸ and the budgeted capitalized developed technology costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget was \$0.⁶⁹ Accordingly, the budgeted capitalized developed technology costs for the third and fourth quarters of 2025 was the same for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget for the third and fourth quarters of 2025.

(vi) Legal Costs

(a) Description of Legal Costs

Section 11.3(a)(iii)(B)(B)(2) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the legal costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that includes \$3,631,342 in legal costs for the CAT Fee 2025–2 Period. This category of costs represents budgeted costs for legal services for this period. CAT LLC anticipates that it will receive legal services from two law firms, Wilmer Cutler Pickering Hale and Dorr LLP (“WilmerHale”) and Jenner & Block LLP (“Jenner”), during the CAT Fee 2025–2 Period.

Law Firm: WilmerHale. It is anticipated that legal costs during the CAT Fee 2025–2 Period will include costs related to the legal services performed by WilmerHale. CAT LLC anticipates that it will continue to employ WilmerHale during the CAT Fee 2025–2 Period based on, among other things, their expertise, long history with the project and recognition that the hourly fee rates for this law firm are anticipated to be in line with market rates for specialized legal expertise. WilmerHale’s billing rates are negotiated on an annual basis and are determined with reference to the rates charged by other leading law firms for similar work. The Participants assess WilmerHale’s performance and review prospective budgets and staffing plans submitted by WilmerHale on an annual basis. The legal fees will be paid by CAT LLC to WilmerHale.

During the CAT Fee 2025–2 Period, it is anticipated that WilmerHale will provide legal services related to the following:

- Assist with CAT fee filings and related funding issues;
- Draft exemptive requests from CAT NMS Plan requirements and/or proposed amendments to the CAT NMS Plan;

- Provide legal guidance with respect to interpretations of CAT NMS Plan requirements;

- Provide legal support for the Operating Committee, Compliance Subcommittee, working groups and Leadership Team;

- Draft SRO rule filings related to the CAT Compliance Rule;

- Manage corporate governance matters, including supporting Operating Committee meetings and preparing resolutions and consents;

- Assist with communications with the industry, including CAT Alerts and presentations;

- Provide guidance regarding the confidentiality of CAT Data;

- Assist with cost management analyses and proposals;

- Assist with commercial contract-related matters, including change orders and amendments, Plan Processor Agreement items, and subcontract matters;

- Provide support with regard to discussions with the SEC and its staff, including with respect to addressing interpretive and implementation issues;

- Provide legal guidance with respect to the CAT budgets;

- Provide background assistance to other counsel for CAT matters;

- Assist with legal responses related to third-party data requests; and

- Provide legal support regarding CAT policies and procedures.

CAT LLC estimated the budget for the legal costs for WilmerHale for the CAT Fee 2025–2 Period through an analysis of a variety of factors, including WilmerHale fee rates, historical legal fees, and information related to pending legal issues and potential future legal issues.

Law Firm: Jenner. It is anticipated that legal costs during the CAT Fee 2025–2 Period will include costs related to the legal services performed by Jenner. CAT LLC anticipates that it will continue to employ Jenner during the CAT Fee 2025–2 Period based on among other things, their expertise, history with the project and recognition that their hourly fee rates are in line with market rates for specialized legal expertise. The legal fees will be paid by CAT LLC to Jenner.

During the CAT Fee 2025–2 Period, it is anticipated that Jenner will continue to provide legal assistance to CAT LLC regarding certain litigation matters, including: (1) CAT LLC’s defense against a lawsuit filed in the Western District of Texas against the SEC Chair, the SEC and CAT LLC challenging the validity of Rule 613 and the CAT and alleging various constitutional,

⁶⁴ This calculation is $\$1,150,000 + \$3,721,962 = \$4,871,962$.

⁶⁵ See Fee Filing for CAT Fee 2025–1, *supra* note 6.

⁶⁶ This calculation is $\$1,150,000 + \$2,773,360 = \$3,923,360$.

⁶⁷ This calculation is $\$1,150,000 + \$3,721,962 = \$4,871,962$.

⁶⁸ This calculation is $\$0 + \$0 + (\$0 + \$0) = \$0$.

⁶⁹ This calculation is $\$0 + \$0 + (\$0 + \$0) = \$0$.

statutory, and common law claims;⁷⁰ (2) CAT LLC's intervention in a lawsuit in the Eleventh Circuit filed by various parties against the SEC challenging the SEC's approval of the CAT Funding Model;⁷¹ and (3) a lawsuit in the Eleventh Circuit filed by Citadel Securities LLC seeking review of the SEC's May 20, 2024 order⁷² granting the Participants temporary conditional exemptive relief related to the reporting of bids and/or offers made in response to a request for quote or other form of solicitation response provided in standard electronic format that is not immediately actionable.⁷³ Litigation involving CAT LLC is an expense of operating the CAT, and, therefore, is appropriately an obligation of both Participants and Industry Members under the CAT Funding Model.

CAT LLC estimated the budget for the legal costs for Jenner for the CAT Fee 2025–2 Period through an analysis of a variety of factors, including Jenner's fee rates, historical legal fees, and information related to pending legal issues and potential future legal issues.

Legal Cost Estimates. CAT LLC estimates that the budget for legal services during the CAT Fee 2025–2 Period will be approximately \$3,631,342. The budget for legal services during the CAT Fee 2025–2 Period is calculated based on the Updated 2025 CAT Budget. Specifically, this estimate was calculated by adding the budgeted amounts for the legal services for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁷⁴

CAT LLC estimated the budget for the legal services for the CAT Fee 2025–2 Period based on an analysis of a variety of factors, including law firm fee rates, historical legal fees, and information related to pending legal issues and potential future legal issues. This process for estimating the budget for the legal services for CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the legal cost for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget for legal costs of \$1,430,000 for the first quarter of 2025. The actual costs for legal services for the first quarter of 2025, which are set forth in the Updated

2025 Budget, were \$1,922,990. The increase of \$492,990 was due to unanticipated issues that required additional legal efforts on behalf of CAT LLC that developed after the budget was created. Such additional costs were primarily due to additional legal work in responding to an SEC examination related to the CAT, for commercial contract-related matters, including with regard to the Plan Processor Agreement, and related to cost savings initiatives. Accordingly, CAT LLC believes that the process for estimating the budgeted legal costs for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for legal costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the legal costs from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁷⁵ Specifically, the following describes the differences (if any) in the legal costs as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budgeted legal costs as set forth in the Original 2025 CAT Budget were \$5,720,000, and the annual 2025 budgeted legal costs as set forth in the Updated 2025 CAT Budget are \$7,370,002. Accordingly, the annual budget for legal costs increased by \$1,650,002 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the full year of 2025.

Correspondingly, the budgeted legal costs for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$2,860,000,⁷⁶ and the budgeted legal costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$3,631,342.⁷⁷ Accordingly, the budget for legal costs for the third and fourth quarters of 2025 increased by \$771,342 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the third and fourth quarters of 2025.

This budgeted increase in the legal costs in the Updated 2025 CAT Budget from the Original 2025 Budget, both for the full year for 2025 and for the third and fourth quarters of 2025, was

primarily due to an anticipated increase in legal costs related to litigation matters as well as regulatory and corporate legal matters.

(vii) Consulting Costs

(a) Description of Consulting Costs

Section 11.3(a)(iii)(B)(B)(3) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the consulting costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$866,167 in consulting costs for the CAT Fee 2025–2 Period. The consulting costs represent the fees estimated to be paid to the consulting firm Deloitte & Touche LLP (“Deloitte”) as project manager during the CAT Fee 2025–2 Period. These consulting costs include costs for advisory services related to the operation of the CAT, and meeting facilitation and communications coordination, vendor support and financial analyses.

It is anticipated that the costs for CAT during the CAT Fee 2025–2 Period will include costs related to consulting services performed by Deloitte. CAT LLC anticipates that it will continue to employ Deloitte during the CAT Fee 2025–2 Period based on, among other things, their expertise, long history with the project, and the recognition that it is anticipated that the consulting fees will remain in line with market rates for this type of specialized consulting work. Deloitte's fee rates are negotiated on an annual basis. CAT LLC assesses Deloitte's performance and reviews prospective budgets and staffing plans submitted by Deloitte on an annual basis. The consulting fees will be paid by CAT LLC to Deloitte.

It is anticipated that Deloitte will provide a variety of consulting services to the CAT during the CAT Fee 2025–2 Period, including the following:

- Implement program operations for the CAT project;
- Provide support to the Operating Committee, the Chair of the Operating Committee and the Leadership Team, including project management support, coordination and planning for meetings and communications, and interfacing with law firms and the SEC;
- Assist with cost and funding matters for the CAT, including assistance with loans and the CAT bank account for CAT funding;
- Provide support for updating the SEC on the progress of the development of the CAT; and
- Provide support for third party vendors for the CAT, including FCAT,

⁷⁰ *Davidson v. Gensler*, No. 6:24–cv–197 (W.D. Tex. Apr. 16, 2024).

⁷¹ *American Securities Ass'n v. Securities and Exchange Comm'n*, No. 23–13396 (11th Cir. Feb. 15, 2024).

⁷² Securities Exchange Act Release No. 100181 (May 20, 2024), 89 FR 45715 (May 23, 2024).

⁷³ *Citadel Securities LLC v. Securities and Exchange Comm'n*, No. 24–12300 (11th Cir. July 19, 2024).

⁷⁴ This calculation is \$1,815,671 + \$1,815,671 = \$3,631,342.

⁷⁵ See Fee Filing for CAT Fee 2025–1, *supra* note 6.

⁷⁶ This calculation is \$1,430,000 + \$1,430,000 = \$2,860,000.

⁷⁷ This calculation is \$1,815,671 + \$1,815,671 = \$3,631,342.

Anchin and the law firms engaged by CAT LLC.

In addition, the consulting costs include the compensation for the Chair of the CAT Operating Committee.

CAT LLC estimates that the budget for consulting costs during the CAT Fee 2025–2 Period will be approximately \$866,167. The budget for consulting costs during the CAT Fee 2025–2 Period is calculated based on the Updated 2025 CAT Budget. Specifically, this estimate was calculated by adding the budgeted amounts for consulting services for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁷⁸

CAT LLC estimates the budget for the consulting costs for Deloitte for the CAT Fee 2025–2 Period based on the current statement of work with Deloitte, which took into consideration past consulting costs, potential future consulting needs, the proposed rates and other contractual issues, as well as discussions with Deloitte. This process for estimating the budget for consulting costs for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the consulting costs for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget for consulting services of \$437,500 for the first quarter of 2025. The actual costs for consulting services for the first quarter of 2025, which are set forth in the Updated 2025 CAT Budget, were \$450,745. Therefore, the variance between budgeted and actual consulting costs for the first quarter of 2025 was approximately 3%. Accordingly, CAT LLC believes that the process for estimating the budgeted consulting costs for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for consulting costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the consulting costs from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁷⁹ Specifically, the following describes the differences (if any) in the consulting costs as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters

of 2025, and the reasons for any changes.

The annual 2025 budget for consulting costs as set forth in the Original 2025 CAT Budget was \$1,750,000, and the annual 2025 budget for consulting costs as set forth in the Updated 2025 CAT Budget is approximately \$1,750,000. Accordingly, the annual budget for consulting costs has not changed from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the full year of 2025.

Correspondingly, the budget for consulting costs for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget was \$875,000,⁸⁰ and the budget for consulting costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget is \$866,167.⁸¹ Accordingly, the budget for consulting costs for the third and fourth quarters of 2025 decreased by \$8,833 (which is approximately 1%), from the Original 2025 CAT Budget to the Updated 2025 CAT Budget. Therefore, the budget for consulting costs for the third and fourth quarters of 2025 remained nearly the same in the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

(viii) Insurance Costs

(a) Description of Insurance Costs

Section 11.3(a)(iii)(B)(B)(4) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the insurance costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$1,594,452 in insurance costs for the CAT Fee 2025–2 Period. The insurance costs represent the costs to be incurred for insurance for CAT during the CAT Fee 2025–2 Period.

It is anticipated that the insurance costs for CAT during the CAT Fee 2025–2 Period will include costs related to cyber security liability insurance, directors' and officers' liability insurance, and errors and omissions liability insurance brokered by USI Insurance Services LLC ("USI"). Such policies are standard for corporate entities, and cyber security liability insurance is important for the CAT System. CAT LLC anticipates that it will continue to maintain this insurance during the CAT Fee 2025–2 Period, and notes that the annual premiums for these policies were competitive for the

coverage provided. CAT LLC estimated the budget for the insurance costs for the CAT Fee 2025–2 Period based on the insurance estimate from USI for 2025. The annual premiums would be paid by CAT LLC to USI.⁸²

The budgeted insurance costs for the CAT Fee 2025–2 Period are based on an insurance cost estimate from USI for 2025. Accordingly, CAT LLC believes that the process for estimating the budgeted insurance costs for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for insurance costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the insurance costs from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁸³ Specifically, the following describes the differences (if any) in insurance costs as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budgeted insurance costs as set forth in the Original 2025 CAT Budget were \$1,594,452, and the annual 2025 budgeted insurance costs as set forth in the Updated 2025 CAT Budget are \$1,594,452. Accordingly, the annual budgeted insurance costs remained the same for the Original 2025 CAT Budget and the Updated 2025 CAT Budget for the full year of 2025.

Correspondingly, the budgeted insurance costs for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$1,594,452,⁸⁴ and the budgeted insurance costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$1,594,452.⁸⁵ Accordingly, the budgeted insurance costs for the third and fourth quarters of 2025 remained the same in the Original 2025 CAT Budget and the Updated 2025 CAT Budget for the third and fourth quarters of 2025.

⁸² Note that CAT LLC generally pays its USI insurance premiums once per year, and such payment is scheduled to occur during the third quarter of 2025.

⁸³ See Fee Filing for CAT Fee 2025–1, *supra* note 6.

⁸⁴ This calculation is \$1,594,452 + \$0 = \$1,594,452.

⁸⁵ This calculation is \$1,594,452 + \$0 = \$1,594,452.

⁷⁸ This calculation is \$433,084 + \$433,083 = \$866,167.

⁷⁹ See Fee Filing for CAT Fee 2025–1, *supra* note 6.

⁸⁰ This calculation is \$437,500 + \$437,500 = \$875,000.

⁸¹ This calculation is \$433,084 + \$433,083 = \$866,167.

(ix) Professional and Administration Costs

(a) Description of Professional and Administration Costs

Section 11.3(a)(iii)(B)(B)(5) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the professional and administration costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$609,818 in professional and administration costs for the CAT Fee 2025–2 Period. In adopting the CAT NMS Plan, the Commission amended the Plan to add a requirement that CAT LLC's financial statements be prepared in compliance with GAAP, audited by an independent public accounting firm, and made publicly available.⁸⁶ The professional and administration costs would include costs related to accounting and accounting advisory services to support the operating and financial functions of CAT, financial statement audit services by an independent accounting firm, preparation of tax returns, and various cash management and treasury functions. The professional and administration costs represent the fees to be paid to Anchin Block & Anchin ("Anchin") and Grant Thornton LLP ("Grant Thornton") for financial services during the CAT Fee 2025–2 Period.

Financial Advisory Firm: Anchin. It is anticipated that the professional and administration costs for the CAT Fee 2025–2 Period will include costs related to financial advisory services performed by Anchin. CAT LLC anticipates that it will continue to employ Anchin during the CAT Fee 2025–2 Period based on, among other things, the firm's relevant expertise and fees, which are anticipated to remain in line with market rates for these financial advisory services. The fees for these services will be paid by CAT LLC to Anchin.

It is anticipated that Anchin will provide a variety of services to the CAT during the CAT Fee 2025–2 Period, including the following:

- Update and maintain internal controls;
- Provide cash management and treasury functions;
- Facilitate bill payments to vendors;
- Facilitate repayments of promissory notes to Participants;
- Provide monthly bookkeeping;
- Review vendor invoices and documentation in support of cash disbursements;

- Review documentation to ensure that repayments of promissory notes to Participants are in accordance with established policies and procedures;

- Provide accounting research and consultations on various accounting, financial reporting and tax matters;
- Address not-for-profit tax and accounting considerations;
- Prepare tax returns;
- Address various accounting, financial reporting and operating inquiries from Participants;
- Develop and maintain annual operating and financial budgets, including budget to actual fluctuation analyses;
- Support compliance with the CAT NMS Plan;
- Work with and provide support to the Operating Committee and various CAT working groups;
- Prepare monthly, quarterly and annual financial statements;
- Review and reconcile the monthly FINRA CAT reports/analyses related to billings, collections, outstanding accounts receivable and cash account;
- Perform certain verification, completeness, and validation testing related to the monthly FINRA CAT reports/analyses related to billings;
- Support the annual financial statement audits by an independent auditor;
- Review historical costs from inception;
- Provide accounting and financial information in support of SEC filings; and
- Perform additional ad hoc accounting and financial advisory services, as requested by CAT LLC.

CAT LLC estimated the annual budget for the costs for Anchin based on historical costs adjusted for cost of living rate increases, and projected incremental advisory and support services.

Accounting Firm: Grant Thornton. It is anticipated that the professional and administration costs for the CAT Fee 2025–2 Period will include costs related to accounting services performed by Grant Thornton. CAT LLC anticipates that it will continue to employ Grant Thornton during the CAT Fee 2025–2 Period based on, among other things, the firm's relevant expertise and fees, which are anticipated to remain in line with market rates for these financial advisory services. It is anticipated that Grant Thornton will continue to be engaged as an independent accounting firm to complete the audit of CAT LLC's financial statements, in accordance with the requirements of the CAT NMS Plan. The fees for these services will be paid by CAT LLC to Grant Thornton. CAT

LLC estimated the budget for the accounting costs for Grant Thornton for the CAT Fee 2025–2 Period based on the anticipated hourly rates and the anticipated services plus an administrative fee.

Professional and Administration Cost Estimates. CAT LLC estimates that the budget for professional and administration services during the CAT Fee 2025–2 Period will be approximately \$609,818. The budget for professional and administration services during the CAT Fee 2025–2 Period is based on the Updated 2025 CAT Budget. CAT LLC estimated the budget for the professional and administration costs for the CAT Fee 2025–2 Period based on a review of past professional and administration costs, potential future professional and administration needs, the proposed rates and other contractual issues, as well as discussions with Anchin and Grant Thornton. This process for estimating the budget for the professional and administration costs for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the professional and administration costs for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget for professional and administration costs of \$168,750 for the first quarter of 2025. The actual costs for professional and administration services for the first quarter of 2025, which are set forth in the Updated 2025 Budget, were \$297,513. The increase of \$128,763 was due to unanticipated issues that required additional professional and administration efforts on behalf of CAT LLC that developed after the budget was created. Such additional costs were primarily due to increases in both financial advisory costs and accounting costs as a result of incremental controls and procedures relating to billings and collections of fees from Participants and Industry Members and the corresponding repayments of promissory notes on historical costs as well as incremental subsequent events procedures relating to the 2023 audit for CAT LLC. Accordingly, CAT LLC believes that the process for estimating the budgeted professional and administration costs for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for professional and administration costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the professional and

⁸⁶ See Section 9.2 of the CAT NMS Plan.

administration costs from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁸⁷ Specifically, the following describes the differences (if any) in the professional and administration costs as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budgeted professional and administration costs as set forth in the Original 2025 CAT Budget were \$882,456, and the annual 2025 budgeted professional and administration costs as set forth in the Updated 2025 CAT Budget are \$1,193,090. Accordingly, the budgeted annual costs for professional and administration services increased by \$310,634 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the full year of 2025.

Correspondingly, the budgeted costs for professional and administration services for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$444,246,⁸⁸ and the budgeted costs for professional and administration services services [*sic*] for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$609,818.⁸⁹ Accordingly, the budgeted costs for professional and administration services for the third and fourth quarters of 2025 increased by \$165,572 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the third and fourth quarters of 2025.

This budgeted increase in the professional and administration costs in the Updated 2025 CAT Budget from the Original 2025 Budget, both for the full year for 2025 and for the third and fourth quarters of 2025, was primarily due to increases in both financial advisory costs and accounting costs as a result of additional anticipated efforts related to billings and collections of fees from Participants and Industry Members, coupled with expected incremental efforts related to supporting CAT LLC's independent auditors for the 2024 audit.

(x) Public Relations Costs

(a) Description of Public Relations Costs

Section 11.3(a)(iii)(B)(B)(6) of the CAT NMS Plan requires the fee filing for a

Prospective CAT Fee to provide a brief description of the public relations costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$0 in public relations costs for the CAT Fee 2025–2 Period. The public relations costs represent the fees paid to a public relations firm for professional communications services to CAT, including media relations consulting, strategy and execution. Because CAT LLC anticipates that it will not engage a public relations firm for the third and fourth quarters of 2025, the budget for public relations costs for this period is \$0.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for public relations costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the public relations costs from the Updated 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁹⁰ Specifically, the following describes the differences (if any) in the public relations costs as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual budgeted public relations costs for 2025 as set forth in the Original 2025 CAT Budget were \$50,000, and the annual budgeted public relations costs for 2025 as set forth in the Updated 2025 CAT Budget are \$6,575. Accordingly, the annual budget for public relations cost for 2025 decreased by \$43,425 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the full year of 2025.

Correspondingly, the budgeted costs for public relations services for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$25,000,⁹¹ and the budgeted costs for public relations services for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$0.⁹² Accordingly, the budgeted costs for public relations services for the third and fourth quarters of 2025 decreased by \$25,000 from the Original 2025 CAT Budget to the Updated 2025 CAT

Budget for the third and fourth quarters of 2025.

This budgeted decrease in the public relations costs from the Original 2025 CAT Budget to the Updated 2025 CAT Budget, both for the full year for 2025 and for the third and fourth quarters of 2025, was primarily due to CAT LLC's anticipation that it would not engage a public relations firm for the remainder of 2025.

(xi) Reserve

(a) Description of Reserve

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the reserve costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that includes a reserve amount for 2025. Section 11.1(a)(i) of the CAT NMS Plan states that the budget shall include a reserve. Section 11.1(a)(ii) of the CAT NMS Plan further describes the reserve as follows:

For the reserve referenced in paragraph (a)(i) of this Section, the budget will include an amount reasonably necessary to allow the Company to maintain a reserve of not more than 25% of the annual budget. To the extent collected CAT fees exceed CAT costs, including the reserve of 25% of the annual budget, such surplus shall be used to offset future fees. For the avoidance of doubt, the Company will only include an amount for the reserve in the annual budget if the Company does not have a sufficient reserve (which shall be up to but not more than 25% of the annual budget). For the avoidance of doubt, the calculation of the amount of the reserve would exclude the amount of the reserve from the budget.

CAT LLC determined to maintain a reserve in the amount of 25% of the total expenses set forth in Updated 2025 CAT Budget (which does not include the reserve amount). Accordingly, the total 25% reserve was calculated by multiplying the total expenses set forth in the Updated 2025 CAT Budget (other than the reserve) by 25%, which is \$57,083,638.⁹³

The Updated 2025 CAT Budget states that CAT LLC had accrued \$70,942,596 for the reserve as of the beginning of 2025, and an additional \$28,846,075 during the first quarter of 2025, from the collection of CAT Fees 2024–1 and 2025–1 and the related Participant CAT Fees. In addition, the Updated 2025 CAT Budget anticipates the collection of an additional \$11,821,477 during the second quarter of 2025 via CAT Fee 2025–1 and the related Participant CAT

⁸⁷ See Fee Filing for CAT Fee 2025–1, *supra* note 6.

⁸⁸ This calculation is $\$168,750 + \$275,496 = \$444,246$.

⁸⁹ This calculation is $\$414,818 + \$195,000 = \$609,818$.

⁹⁰ See Fee Filing for CAT Fee 2025–1, *supra* note 6.

⁹¹ This calculation is $\$12,500 + \$12,500 = \$25,000$.

⁹² This calculation is $\$0 + \$0 = \$0$.

⁹³ The reserve was calculated by multiplying $\$228,334,551$ by 25%, which equals approximately $\$57,083,638$.

Fee. Accordingly, the Updated 2025 CAT Budget estimates that CAT LLC would collect a surplus reserve amount through June 2025 of \$54,526,412 over

the 25% reserve amount of \$57,083,638.⁹⁴ The following chart summarizes the calculation of the surplus reserve amount included in

Budgeted CAT Costs 2025–2 and used to calculate CAT Fee 2025–2:

1	Total reserve as of the beginning of 2025	\$70,942,596
2	Total reserve collected during the Q1 2025	28,846,075
3	Total reserve estimated for Q2 2025	11,821,477
4	TOTAL RESERVE COLLECTED or ESTIMATED TO BE COLLECTED by END of Q2 of 2025 (Row 1 + Row 2 + Row 3).	111,610,148
5	Budgeted 2025 Reserve (Total 2025 CAT costs other than reserve (\$228,334,551) multiplied by 25%)	57,083,638
	TOTAL SURPLUS RESERVE (Row 4–Row 5)	54,526,412

Such surplus was related, in part, to (i) the collection of CAT fees in excess of the budgeted CAT costs for 2024 and 2025 in light of the greater actual executed equivalent share volume than the projected executed equivalent share volume for CAT Fees 2024–1 and 2025–1, and (ii) a reduction in anticipated

budgeted costs associated with the implementation of certain cost savings measures approved by the SEC pertaining to the processing of options market maker quotes and the storage of certain data.⁹⁵

As set forth in the Budgeted CAT Costs 2025–2, the surplus reserve balance of \$54,526,412 would be used to

offset a portion of CAT costs for the third and fourth quarters of 2025, thereby reducing the fee rate to be paid for CAT Fee 2025–2. Specifically, the total costs used to calculate the fee rate for CAT Fee 2025–2 would be reduced by the amount of the surplus reserve as set forth in the following table:

1	Total Budgeted CAT Costs 2025–2 Other than Reserve (<i>i.e.</i> , costs for Q3 and Q4 of 2025)	\$115,252,921
2	Surplus Reserve	(54,526,510)
3	Total Budgeted CAT Costs 2025–2 (Row 1–Row 2)	60,726,412

Accordingly, the fee rate for CAT Fee 2025–2 is calculated based on this reduced amount of \$60,726,412, resulting in a fee rate of \$0.000009 per executed equivalent share. If the fee rate for CAT Fee 2025–2 were calculated solely based on the reasonably budgeted costs for CAT for July–December 2025 excluding the reduction in that amount due to the surplus reserve offset (that is, based on \$115,252,921, not \$60,726,412), the fee rate would be the higher rate of \$0.000017.⁹⁶

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for a reserve from the prior CAT Fee filing. Accordingly, this filing describes the changes in the reserve from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁹⁷

For the Original 2025 CAT Budget, CAT LLC determined to maintain a reserve in the amount of 25% of budgeted CAT costs (other than the reserve). Accordingly, the total 25% reserve was calculated by multiplying the budgeted CAT costs (other than the reserve) as set forth in the Original 2025

CAT Budget (which is \$248,846,076) by 25%, for a target reserve amount of \$62,211,519. However, the Original 2025 CAT Budget recognized that a portion of the reserve—\$38,369,315—would have been previously collected, and therefore would not need to be included the budgeted CAT costs to be recovered by the CAT Fees. Specifically, the Original 2025 CAT Budget recognized that there was (i) a liquidity reserve balance of \$27,695,385 at the beginning of 2025, (ii) a favorable variance of \$10,084,698 for budgeted versus actual cloud hosting services costs covering the period from July 16, 2024 through September 30, 2024, and (iii) a Participation Fee from a new Participant in the CAT NMS Plan of \$589,232. These three items totaled \$38,369,315. Accordingly, the Original 2025 CAT Budget only included \$23,842,200 to be collected towards the reserve via the CAT Fee. This \$23,842,200 is calculated by reducing the total 25% reserve amount of \$62,211,519 by the \$38,369,315 previously collected for the reserve. In the Original 2025 CAT Budget, the budget anticipated collecting the remaining reserve amount of

\$23,842,200 evenly throughout the year, that is, \$5,960,500 for each quarter.

As discussed above, CAT LLC determined to maintain a reserve in the amount of 25% of the budgeted CAT costs (other than the reserve). Accordingly, the total 25% reserve was calculated by multiplying the budgeted CAT costs (other than the reserve) as set forth in the Updated 2025 CAT Budget (which is \$228,334,551) by 25%, for a target reserve amount of \$57,083,638.⁹⁸ However, the Updated 2025 CAT Budget states that CAT LLC had accrued \$70,942,596 for the reserve as of the beginning of 2025, and an additional \$28,846,075 during the first quarter of 2025, from the collection of CAT Fees 2024–1 and 2025–1 and the related Participant CAT Fees. In addition, the Updated 2025 CAT Budget anticipates the collection of an additional \$11,821,477 during the second quarter of 2025 via CAT Fee 2025–1 and the related Participant CAT Fee. Accordingly, the Updated 2025 CAT Budget estimates that CAT LLC would collect a surplus reserve amount through June 2025 of \$54,526,412 in excess of the 25% targeted reserve amount of \$57,083,638.⁹⁹ Accordingly, the Updated 2025 CAT Budget

⁹⁴ This calculation is $(\$70,942,596 + \$28,846,075 + \$11,821,477) - \$57,083,638 = \$54,526,412$.

⁹⁵ See Cost Savings Amendment.

⁹⁶ See CAT Fee Alert 2025–2 (May 29, 2025), <https://catnmsplan.com/sites/default/files/2025-05/05.29.25-CAT-Fee-Alert-2025-2.pdf>

⁹⁷ See Fee Filing for CAT Fee 2025–1, *supra* note 6.

⁹⁸ The reserve was calculated by multiplying \$228,334,551 by 25%, which equals approximately \$57,083,638.

⁹⁹ This calculation is $(\$70,942,596 + \$28,846,075 + \$11,821,477) - \$57,083,638 = \$54,526,412$.

anticipates reducing the recoverable CAT costs by \$54,526,412 in the second half of 2025, specifically a reduction of \$27,263,255 in each of the third and fourth quarters of 2025.

As discussed above, such surplus reserve balance of \$54,526,412 would be used to offset a portion of CAT costs for the third and fourth quarters of 2025, thereby reducing the fee rate for CAT Fee 2025–2 in accordance with Section 11.1(a)(ii) of the CAT NMS Plan. Section 11.1(a)(ii) of the CAT NMS Plan states that “[t]o the extent collected CAT fees exceed CAT costs, including the reserve of 25% of the annual budget, such surplus shall be used to offset future fees.”

(D) Projected Total Executed Equivalent Share Volume

The calculation of Fee Rate 2025–2 also requires the determination of the projected total executed equivalent share volume of transactions in Eligible Securities for the CAT Fee 2025–2 Period. Under the CAT NMS Plan, the Operating Committee is required to “reasonably determine the projected total executed equivalent share volume of all transactions in Eligible Securities for each relevant period based on the executed equivalent share volume of all transactions in Eligible Securities for the prior twelve months.”¹⁰⁰ The Operating Committee is required to base its projection on the prior twelve months, but it may use its discretion to analyze the likely volume for the upcoming year. Such discretion would allow the Operating Committee to use its judgment when estimating projected total executed equivalent share volume if the volume over the prior twelve months was unusual or otherwise unfit to serve as the basis of a future volume estimate.¹⁰¹

The total executed equivalent share volume of transactions in Eligible Securities for the 12-month period from April 2024 through March 2025 was 4,580,287,680,646.28 executed equivalent shares. The Operating Committee has determined to calculate the projected total executed equivalent share volume for the six-month recovery period for CAT Fee 2025–2 by multiplying by one-half the executed equivalent share volume for the 12-month period from April 2024 through March 2025. The Operating Committee determined that such an approach was reasonable as the CAT’s annual executed equivalent share volume has

remained relatively constant. For example, the executed equivalent share volume for 2021 was 3,963,697,612,395, the executed equivalent share volume for 2022 was 4,039,821,841,560.31, the executed equivalent share volume for 2023 was 3,868,940,345,680.6, and the executed equivalent share volume for 2024 was 4,295,884,600,069.41. Accordingly, the projected total executed equivalent share volume for the six-month period for CAT Fee 2025–2 is projected to be 2,290,143,840,323.14 executed equivalent shares.¹⁰²

The projected total executed equivalent share volume of all transactions in Eligible Securities for the six-month recovery period for CAT Fee 2025–2 and a description of the calculation of the projection is provided in this filing in accordance with the requirement in the CAT NMS Plan to provide such information in a fee filing for a CAT Fee.¹⁰³

(E) Fee Rate 2025–2

Fee Rate 2025–2 would be calculated by dividing the Budgeted CAT Costs 2025–2 by the reasonably projected total executed equivalent share volume of all transactions in Eligible Securities for the six-month recovery period for CAT Fee 2025–2, as described in detail above.¹⁰⁴ Specifically, Fee Rate 2025–2 would be calculated by dividing \$60,726,412 by 2,290,143,840,323.14 executed equivalent shares. As a result, Fee Rate 2025–2 would be \$0.00002651641828376661 per executed equivalent share. Fee Rate 2025–2 is provided in this filing in accordance with the requirement in the CAT NMS Plan to provide the Fee Rate in a fee filing for a CAT Fee.¹⁰⁵

(3) Monthly Fees

CEBBs and CEBSs would be required to pay fees for CAT Fee 2025–2 on a monthly basis for six months, from August 2025 until January 2026. A CEBB’s or CEBS’s fee for each month would be calculated based on the transactions in Eligible Securities executed by the CEBB or CEBS from the

prior month.¹⁰⁶ Proposed paragraph (a)(1)(E)(i) of Rule 6897 would state that each CAT Executing Broker would receive its first invoice for CAT Fee 2025–2 in August 2025, and would receive an invoice for CAT Fee 2025–2 each month thereafter until January 2026. Proposed paragraph (a)(1)(E)(ii) would state that “Consolidated Audited Trail, LLC shall provide each CAT Executing Broker with an invoice for CAT Fee 2025–2 on a monthly basis.” In addition, paragraph (a)(2)(A) of Rule 6897 states that each CEBB and CEBS is required to pay its CAT fees “each month.”

(4) Consolidated Audit Trail Funding Fees

To implement CAT Fee 2025–2, FINRA proposes to add a new paragraph to FINRA Rule 6897 (Consolidated Audit Trail Funding Fees), to include the proposed paragraphs described below.

(A) CAT Fee 2025–2

The CAT NMS Plan states that:

Each Industry Member that is the CAT Executing Broker for the buyer in a transaction in Eligible Securities (“CAT Executing Broker for the Buyer” or “CEBB”) and each Industry Member that is the CAT Executing Broker for the seller in a transaction in Eligible Securities (“CAT Executing Broker for the Seller” or “CEBS”) will be required to pay a CAT Fee for each such transaction in Eligible Securities in the prior month based on CAT Data. The CEBB’s CAT Fee or CEBS’s CAT Fee (as applicable) for each transaction in Eligible Securities will be calculated by multiplying the number of executed equivalent shares in the transaction by one-third and by the Fee Rate reasonably determined pursuant to paragraph (a)(i) of this Section 11.3.¹⁰⁷

Accordingly, based on the factors discussed above, FINRA proposes to add paragraph (a)(1)(E) to FINRA Rule 6897, which would state that:

(i) Each CAT Executing Broker shall receive its first invoice for CAT Fee 2025–2 in August 2025, which shall set forth the CAT Fee 2025–2 fees calculated based on transactions in July 2025, and shall receive an invoice for CAT Fee 2025–2 for each month thereafter until January 2026.

(ii) Consolidated Audit Trail, LLC shall provide each CAT Executing Broker with an invoice for CAT Fee 2025–2 on a monthly basis. Each month, such invoices shall set forth a fee for each transaction in Eligible Securities executed by the CAT Executing Broker in its capacity as a CAT Executing Broker for the Buyer (“CEBB”) and/or the CAT Executing Broker for the Seller (“CEBS”) (as applicable) from the prior

¹⁰⁰ See Section 11.3(a)(i)(D) of the CAT NMS Plan.

¹⁰¹ See CAT Funding Model Approval Order, 88 FR 62628, 62651.

¹⁰² This projection was calculated by multiplying 4,580,287,680,646.28 executed equivalent shares by one-half.

¹⁰³ See Section 11.3(a)(iii)(B) of the CAT NMS Plan.

¹⁰⁴ In approving the CAT Funding Model, the Commission stated that “[t]he manner in which the Fee Rate for Prospective CAT Costs will be calculated (i.e., by dividing the CAT costs reasonably budgeted for the upcoming year by the reasonably projected total executed equivalent share volume of all transactions in Eligible Securities for the year) is reasonable.” See CAT Funding Model Approval Order, 88 FR 62628, 62651.

¹⁰⁵ See Section 11.3(a)(iii)(B)(A) of the CAT NMS Plan.

¹⁰⁶ See proposed paragraph (a)(1)(E)(ii) of FINRA Rule 6897.

¹⁰⁷ See Section 11.3(a)(iii)(A) of the CAT NMS Plan.

month as set forth in CAT Data. The fee for each such transaction will be calculated by multiplying the number of executed equivalent shares in the transaction by the fee rate of \$0.000009 per executed equivalent share.

(iii) Notwithstanding the last invoice date of January 2026 for CAT Fee 2025–2 in paragraph (a)(1)(E)(i) of this Rule, CAT Fee 2025–2 shall continue in effect after January 2026, with each CAT Executing Broker receiving an invoice for CAT Fee 2025–2 each month, until a new subsequent CAT Fee is in effect with regard to Industry Members in accordance with Section 19(b) of the Exchange Act. Consolidated Audit Trail, LLC will provide notice when CAT Fee 2025–2 will no longer be in effect.

(iv) Each CAT Executing Broker shall be required to pay each invoice for CAT Fee 2025–2 in accordance with paragraph (a)(2) of this Rule.

As noted in the Plan amendment for the CAT Funding Model, “[a]s a practical matter, the fee filing would provide the exact fee per executed equivalent share to be paid for the CAT Fees, by multiplying the Fee Rate by one-third and describing the relevant number of decimal places for the fee.”¹⁰⁸ Accordingly, proposed paragraph (a)(1)(E)(ii) of Rule 6897 would set forth a fee rate of \$0.000009 per executed equivalent share. This fee rate is calculated by multiplying Fee Rate 2025–2 of \$0.00002651641828376661 by one-third, and rounding the result to six decimal places.¹⁰⁹ The Operating Committee determined to use six decimal places to balance the accuracy of the calculation with the potential systems and other impracticalities of using additional decimal places in the calculation.

The proposed language in paragraph (a)(1)(E)(i) of Rule 6897 would describe when CAT Executing Brokers would receive their first monthly invoice for CAT Fee 2025–2. Specifically, CAT Executing Brokers would receive their first monthly invoice for CAT Fee 2025–2 in August 2025 and the fees set forth in that invoice would be calculated based on transactions executed in July 2025. The payment for the first invoice would be required within 30 days after the receipt of the first invoice (unless a longer period is indicated), as described in paragraph (a)(2)(B) of Rule 6897.

Proposed paragraph (a)(1)(E)(i) of Rule 6897 also would describe the monthly cadence of the invoices for CAT Fee 2025–2. Specifically, after the first

invoices are provided to CAT Executing Brokers in August 2025, invoices will be sent to CAT Executing Brokers each month thereafter until January 2026.

Proposed paragraph (a)(1)(E)(ii) of Rule 6897 would describe the invoices for CAT Fee 2025–2. Proposed paragraph (a)(1)(E)(ii) would state that “Consolidated Audit Trail, LLC shall provide each CAT Executing Broker with an invoice for CAT Fee 2025–2 on a monthly basis.” Proposed paragraph (a)(1)(E)(ii) also would describe the fees to be set forth in the invoices for CAT Fee 2025–2. Specifically, it would state that “[e]ach month, such invoices shall set forth a fee for each transaction in Eligible Securities executed by the CAT Executing Broker in its capacity as a CAT Executing Broker for the Buyer (‘CEBB’) and/or the CAT Executing Broker for the Seller (‘CEBS’) (as applicable) from the prior month as set forth in CAT Data. The fee for each such transaction will be calculated by multiplying the number of executed equivalent shares in the transaction by the fee rate of \$0.000009 per executed equivalent share.”

Since CAT Fee 2025–2 is a monthly fee based on actual transaction volume from the prior month, CAT Fee 2025–2 may collect more or less than two-thirds of the Budgeted CAT Costs 2025–2. To the extent that CAT Fee 2025–2 collects more than two-thirds of the Budgeted CAT Costs 2025–2, any excess money collected will be used to offset future fees and/or to fund the reserve for the CAT. To the extent that CAT Fee 2025–2 collects less than two-thirds of the Budgeted CAT Costs 2025–2, the budget for the CAT in the ensuing months will reflect such shortfall.

Furthermore, proposed paragraph (a)(1)(E)(iii) of Rule 6897 would describe how long CAT Fee 2025–2 would remain in effect. It would state that “[n]otwithstanding the last invoice date of January 2026 for CAT Fee 2025–2 in paragraph (a)(1)(E)(i) of this Rule, CAT Fee 2025–2 shall continue in effect after January 2026, with each CAT Executing Broker receiving an invoice for CAT Fee 2025–2 each month, until a new subsequent CAT Fee is in effect with regard to Industry Members in accordance with Section 19(b) of the Exchange Act. Consolidated Audit Trail, LLC will provide notice when CAT Fee 2025–2 will no longer be in effect.”

Finally, proposed paragraph (a)(1)(E)(iv) of Rule 6897 would set forth the requirement for the CAT Executing Brokers to pay the invoices for CAT Fee 2025–2. It would state that “[e]ach CAT Executing Broker shall be required to pay each invoice for CAT Fee 2025–2 in

accordance with paragraph (a)(2) of this Rule.”

(B) Manner of Payment

Paragraph (a)(2)(A) of Rule 6897 describes the manner of payment of Industry Member CAT fees and states that “[e]ach CAT Executing Broker shall pay its CAT fees as required pursuant to paragraph (a)(1) of this Rule each month to the Consolidated Audit Trail, LLC in the manner prescribed by the Consolidated Audit Trail, LLC.” The CAT NMS Plan requires the Operating Committee to establish a system for the collection of CAT fees.¹¹⁰ The Plan Processor has established a billing system for CAT fees.¹¹¹ Accordingly, CAT Executing Brokers would be required to pay CAT Fee 2025–2 in accordance with such system.

(C) Failure to Pay CAT Fees

The CAT NMS Plan further states that:

Participants shall require each Industry Member to pay all applicable fees authorized under this Article XI within thirty (30) days after receipt of an invoice or other notice indicating payment is due (unless a longer payment period is otherwise indicated). If an Industry Member fails to pay any such fee when due (as determined in accordance with the preceding sentence), such Industry Member shall pay interest on the outstanding balance from such due date until such fee is paid at a per annum rate equal to the lesser of: (a) the Prime Rate plus 300 basis points; or (b) the maximum rate permitted by applicable law.¹¹²

Accordingly, paragraph (a)(2)(B) of Rule 6897 states that:

Each CAT Executing Broker shall pay the CAT fees required pursuant to paragraph (a)(1) of this Rule within 30 days after receipt of an invoice or other notice indicating payment is due (unless a longer payment period is otherwise indicated). If a CAT Executing Broker fails to pay any such CAT fee when due, such CAT Executing Broker shall pay interest on the outstanding balance from such due date until such fee is paid at a per annum rate equal to the lesser of (i) the Prime Rate plus 300 basis points, or (ii) the maximum rate permitted by applicable law.

The requirements of paragraph (a)(2) would apply to CAT Fee 2025–2.

(5) CAT Fee Details

The CAT NMS Plan states that:

¹¹⁰ See Section 11.4 of the CAT NMS Plan.

¹¹¹ The billing process and system are described in CAT Alert 2023–02 as well as the CAT FAQs related to the billing of CAT fees, the Industry Member CAT Reporter Portal User Guide, the FCAT Industry Member Onboarding Guide, the FCAT Connectivity Supplement for Industry Members and the CAT Billing Webinars (dated September 28, 2023 and November 7, 2023), each available on the CAT website.

¹¹² See Section 11.4 of the CAT NMS Plan.

¹⁰⁸ See CAT Funding Model Approval Order, 88 FR 62628, 62658, n.658.

¹⁰⁹ Dividing \$0.00002651641828376661 by three equals \$0.000008838806094588872. Rounding \$0.000008838806094588872 to six decimal places equals \$0.000009.

Details regarding the calculation of a Participant or CAT Executing Broker's CAT Fees will be provided upon request to such Participant or CAT Executing Broker. At a minimum, such details would include each Participant or CAT Executing Broker's executed equivalent share volume and corresponding fee by (1) Listed Options, NMS Stocks and OTC Equity Securities, (2) by transactions executed on each exchange and transactions executed otherwise than on an exchange, and (3) by buy-side transactions and sell-side transactions.¹¹³

Such information would provide CEBBs and CEBBs with the ability to understand the details regarding the calculation of their CAT Fee.¹¹⁴ CAT LLC will provide CAT Executing Brokers with these details regarding the calculation of their CAT Fees on their monthly invoice for the CAT Fees.

In addition, CAT LLC will make certain aggregate statistics regarding CAT Fees publicly available. Specifically, the CAT NMS Plan states that, "[f]or each CAT Fee, at a minimum, CAT LLC will make publicly available the aggregate executed equivalent share volume and corresponding aggregate fee by (1) Listed Options, NMS Stocks and OTC Equity Securities, (2) by transactions executed on each exchange and transactions executed otherwise than on an exchange, and (3) by buy-side transactions and sell-side transactions."¹¹⁵ Such aggregate statistics will be available on the CAT website.

Furthermore, CAT LLC will make publicly available on the CAT website the total amount invoiced each month that CAT Fee 2025–2 is in effect as well as the total amount invoiced for CAT Fee 2025–2 for all months since its commencement. CAT LLC also will make publicly available on the CAT website the total costs to be collected from Industry Members for CAT Fee 2025–2.

(6) Financial Accountability Milestones

The CAT NMS Plan states that "[n]o Participant will make a filing with the

SEC pursuant to Section 19(b) of the Exchange Act regarding any CAT Fee related to Prospective CAT Costs until the Financial Accountability Milestone related to Period 4 described in Section 11.6 has been satisfied."¹¹⁶ Under Section 1.1 of the CAT NMS Plan, a Financial Accountability Milestone is considered complete as of the date identified in the Participants' Quarterly Progress Reports. As indicated by the Participants' Quarterly Progress Report for the second and third quarter of 2024,¹¹⁷ the Financial Accountability Milestone related to Period 4 was satisfied on July 15, 2024. In addition, the satisfaction of the Financial Accountability Milestone related to Period 4 was described in detail in the fee filing for the first Prospective CAT Fee, CAT Fee 2024–1.¹¹⁸

(7) Relationship to CAT Fee 2025–1

CAT LLC intends for CAT Fee 2025–2 to replace CAT Fee 2025–1 (which has a fee rate of \$0.000022).¹¹⁹ Accordingly, as long as CAT Fee 2025–2 is in effect, CAT Fee 2025–1 would not be charged to CEBBs, CEBBs and Participants. Specifically, subject to CAT Fee 2025–2 being in effect, CAT LLC intends to send the last invoice for CAT Fee 2025–1 in July 2025 based on June 2025 transactions and, correspondingly, to send the first invoice for CAT Fee 2025–2 in August 2025 based on July 2025 transactions.

(8) Participant Invoices

While CAT Fees charged to Industry Members become effective in accordance with the requirements of Section 19(b) of the Exchange Act,¹²⁰ CAT fees charged to Participants are implemented via an approval of the CAT fees by the Operating Committee in accordance with the requirements of the CAT NMS Plan.¹²¹ On May 28, 2025, the Operating Committee approved the Participant fee related to CAT Fee 2025–2. Specifically, pursuant to the requirements of CAT NMS Plan,¹²² each

Participant would be required to pay a CAT fee calculated using the fee rate of \$0.000009 per executed equivalent share, which is the same fee rate that applies to CEBBs and CEBBs. Like CEBBs and CEBBs, each Participant would be required to pay such CAT fees on a monthly basis for six months, from September 2025 until February 2026, and each Participant's fee for each month would be calculated based on the transactions in Eligible Securities executed on the applicable exchange (for the Participant exchanges) or otherwise than on an exchange (for FINRA) in the prior month. Accordingly, each Participant will receive its first invoice in August 2025, and would receive an invoice each month thereafter until January 2026. Like with the CAT Fee 2025–2 applicable to CEBBs and CEBBs as described in proposed paragraph (a)(1)(E)(iii) of Rule 6897, notwithstanding the last invoice date of January 2026, Participants will continue to receive invoices for this fee each month until a new subsequent CAT Fee is in effect with regard to Industry Members. Furthermore, Section 11.4 of the CAT NMS Plan states that each Participant is required to pay such invoices as required by Section 3.7(b) of the CAT NMS Plan. Section 3.7(b) states, in part, that

[e]ach Participant shall pay all fees or other amounts required to be paid under this Agreement within thirty (30) days after receipt of an invoice or other notice indicating payment is due (unless a longer payment period is otherwise indicated) (the "Payment Date"). The Participant shall pay interest on the outstanding balance from the Payment Date until such fee or amount is paid at a per annum rate equal to the lesser of: (i) Prime Rate plus 300 basis points; or (ii) the maximum rate permitted by applicable law.

FINRA has filed the proposed rule change for immediate effectiveness. The effective date and the implementation date will be the date of filing.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with Section 15A(b)(6) of the Act,¹²³ which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest, and not designed to permit unfair discrimination between customers, issuers, brokers and dealers. FINRA also believes that the proposed rule change

¹¹³ See Section 11.3(a)(iv)(A) of the CAT NMS Plan.

¹¹⁴ In approving the CAT Funding Model, the Commission stated that, "[i]n the Commission's view, providing CAT Execut[ing] Brokers information regarding the calculation of their CAT Fees will aid in transparency and permit CAT Execut[ing] Brokers to confirm the accuracy of their invoices for CAT Fees." CAT Funding Model Approval Order, 88 FR 62628, 62667.

¹¹⁵ See Section 11.3(a)(iv)(B) of the CAT NMS Plan. In approving the CAT Funding Model, the Commission stated that "[t]he publication of the aggregate executed equivalent share volume and aggregate fee is appropriate because it would allow Participants and CAT Executing Brokers a high-level validation of executed volume and fees." CAT Funding Model Approval Order, 88 FR 62628, 62667.

¹¹⁶ See Section 11.3(a)(iii)(C) of the CAT NMS Plan.

¹¹⁷ Q2 & Q3 2024 Quarterly Progress Report (July 29, 2024), https://www.catnmsplan.com/sites/default/files/2024-07/CAT_Q2-and-Q3-2024-QPR.pdf.

¹¹⁸ See Securities Exchange Act Release No. 100881 (August 30, 2024), 89 FR 72478 (September 5, 2024) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2024-011).

¹¹⁹ Note that CAT Fee 2025–2 is separate from and will be in addition to any Historical CAT Assessment to Industry Members.

¹²⁰ See Section 11.3(a)(i)(A)(I) of the CAT NMS Plan.

¹²¹ See CAT Funding Model Approval Order, 88 FR 62628, 62659.

¹²² See Section 11.3(a)(ii) and Appendix B of the CAT NMS Plan.

¹²³ 15 U.S.C. 78o–3(b)(6).

is consistent with the provisions of Section 15A(b)(5) of the Act,¹²⁴ which requires, among other things, that FINRA rules provide for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system that FINRA operates or controls. FINRA further believes that the proposed rule change is consistent with Section 15A(b)(9) of the Act,¹²⁵ which requires that FINRA rules not impose any burden on competition that is not necessary or appropriate. Section 15A(b)(2) of the Act also requires that FINRA be “so organized and [have] the capacity to be able to carry out the purposes” of the Act and “to comply, and . . . to enforce compliance by its members and persons associated with its members,” with the provisions of the Exchange Act.¹²⁶ Accordingly, a reasonable reading of the Act indicates that it intended that regulatory funding be sufficient to permit FINRA to fulfill its statutory responsibility under the Act, and contemplated that such funding would be achieved through equitable assessments on the members, issuers, and other users of any facility or system that FINRA operates or controls.

FINRA believes that this proposed rule change is consistent with the Act because it implements provisions of the Plan and is designed to assist FINRA in meeting regulatory obligations pursuant to the Plan. In approving the Plan, the SEC noted that the Plan “is necessary and appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanism of a national market system, or is otherwise in furtherance of the purposes of the Act.”¹²⁷ To the extent that this proposed rule change implements the Plan and applies specific requirements to Industry Members, FINRA believes that this proposed rule change furthers the objectives of the Plan, as identified by the SEC, and is therefore consistent with the Act. FINRA also believes that the proposed fees to be paid by the CEBBs and CEBs are reasonable, equitably allocated and not unfairly discriminatory.

The proposed CAT Fee 2025–2 fees would be charged to Industry Members in support of the maintenance of a consolidated audit trail for regulatory purposes. The proposed fees, therefore,

are consistent with the Commission’s view that regulatory fees be used for regulatory purposes. The proposed fees would not cover FINRA services unrelated to the CAT. In addition, any surplus would be used as a reserve to offset future fees.

As further discussed below, the SEC approved the CAT Funding Model, finding it was reasonable and that it equitably allocates fees among Participants and Industry Members. Thus, FINRA believes that the proposed fees adopted pursuant to the CAT Funding Model approved by the SEC are reasonable, equitably allocated and not unfairly discriminatory.

(1) Implementation of CAT Funding Model in CAT NMS Plan

Section 11.1(b) of the CAT NMS Plan states that “[t]he Participants shall file with the SEC under Section 19(b) of the Exchange Act any such fees on Industry Members that the Operating Committee approves.” Per Section 11.1(b) of the CAT NMS Plan, FINRA has filed this fee filing to implement the Industry Member CAT fees included in the CAT Funding Model. FINRA believes that this proposed rule change is consistent with the Exchange Act because it is consistent with, and implements, the CAT Funding Model in the CAT NMS Plan, and is designed to assist FINRA and its Industry Members in meeting regulatory obligations pursuant to the CAT NMS Plan. In approving the CAT NMS Plan, the SEC noted that the Plan “is necessary and appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanism of a national market system, or is otherwise in furtherance of the purposes of the Act.”¹²⁸ Similarly, in approving the CAT Funding Model, the SEC concluded that the CAT Funding Model met this standard.¹²⁹ As this proposed rule change implements the Plan and the CAT Funding Model described therein, and applies specific requirements to Industry Members in compliance with the Plan, FINRA believes that this proposed rule change furthers the objectives of the Plan, as identified by the SEC, and is therefore consistent with the Exchange Act.

(2) Calculation of Fee Rate for CAT Fee 2025–2 Is Reasonable

The SEC has determined that the CAT Funding Model is reasonable and satisfies the requirements of the

Exchange Act. Specifically, the SEC has concluded that the method for determining CAT Fees as set forth in Section 11.3 of the CAT NMS Plan, including the formula for calculating the Fee Rate, the identification of the parties responsible for payment and the transactions subject to the fee rate for CAT Fees, is reasonable and satisfies the Exchange Act.¹³⁰ In each respect, as discussed above, CAT Fee 2025–2 is calculated, and would be applied, in accordance with the requirements applicable to CAT Fees as set forth in the CAT NMS Plan. Furthermore, as discussed below, FINRA believes that each of the figures for the variables in the SEC-approved formula for calculating the fee rate for CAT Fee 2025–2 is reasonable and consistent with the Exchange Act. Calculation of Fee Rate 2025–2 for CAT Fee 2025–2 requires the figures for Budgeted CAT Costs 2025–2, the executed equivalent share volume for the prior twelve months, the determination of the CAT Fee 2025–2 Period, and the projection of the executed equivalent share volume for the CAT Fee 2025–2 Period. Each of these variables is reasonable and satisfies the Exchange Act, as discussed throughout this filing.

(A) Budgeted CAT Costs 2025–2

The formula for calculating a Fee Rate requires the amount of Budgeted CAT Costs to be recovered. Specifically, Section 11.3(a)(iii)(B) of the CAT NMS Plan requires a fee filing to provide:

the budget for the upcoming year (or remainder of the year, as applicable), including a brief description of each line item in the budget, including (1) the technology line items of cloud hosting services, operating fees, CAIS operating fees, change request fees, and capitalized developed technology costs, (2) legal, (3) consulting, (4) insurance, (5) professional and administration, and (6) public relations costs, a reserve and/or such other categories as reasonably determined by the Operating Committee to be included in the budget, and the reason for changes in each such line item from the prior CAT fee filing.

In accordance with this requirement, FINRA has set forth the amount and type of Budgeted CAT Costs 2025–2 for each of the categories above.

Section 11.3(a)(iii)(B) of the CAT NMS Plan also requires that the fee filing provide “sufficient detail to demonstrate that the budget for the upcoming year, or part of year, as applicable, is reasonable and appropriate.” As discussed below, FINRA believes that the budget for the CAT Fee 2025–2 Period is “reasonable

¹²⁴ 15 U.S.C. 78o–3(b)(5).

¹²⁵ 15 U.S.C. 78o–3(b)(9).

¹²⁶ See 15 U.S.C. 78o–3(b)(2).

¹²⁷ See CAT NMS Plan Approval Order, 81 FR 84696, 84697.

¹²⁸ See *supra* note 127.

¹²⁹ CAT Funding Model Approval Order, 88 FR 62628, 62686.

¹³⁰ CAT Funding Model Approval Order, 88 FR 62628, 62662–63.

and appropriate.” Each of the costs included in CAT Fee 2025–2 are reasonable and appropriate because the costs are consistent with standard industry practice, based on the need to comply with the requirements of the CAT NMS Plan, incurred subject to negotiations performed on an arm’s length basis, and/or are consistent with the needs of any legal entity, particularly one with no employees.

(i) Technology: Cloud Hosting Services

In approving the CAT Funding Model, the Commission recognized that it is appropriate to recover budgeted costs related to cloud hosting services as a part of CAT Fees.¹³¹ CAT LLC determined that the budgeted costs related to cloud hosting services described in this filing are reasonable and should be included as a part of Budgeted CAT Costs 2025–2. As described above, the cloud hosting services costs reflect, among other things, the breadth of the CAT cloud activities, data volumes far in excess of the original volume estimates, the need for specialized cloud services given the volume and unique nature of the CAT, the processing time requirements of the Plan, and regular efforts to seek to minimize costs where permissible under the Plan. CAT LLC determined that use of cloud hosting services is necessary for implementation of the CAT, particularly given the substantial data volumes associated with the CAT, and that the fees for cloud hosting services negotiated by FCAT were reasonable, taking into consideration a variety of factors, including the expected volume of data and the breadth of services provided and market rates for similar services.¹³² Indeed, the actual costs of the CAT are far in excess of the original estimated costs of the CAT due to various factors, including the higher volumes and greater complexity of the CAT than anticipated when Rule 613 was originally adopted.

To comply with the requirements of the Plan, the breadth of the cloud activities related to the CAT is substantial. The cloud services not only include the production environment for the CAT, but they also include two industry testing environments, support environments for quality assurance and stress testing and disaster recovery capabilities. Moreover, the cloud storage costs are driven by the requirements of the Plan, which requires the storage of multiple versions of the data, from the

original submitted version of the data through various processing steps, to the final version of the data.

Data volume is a significant driver of costs for cloud hosting services. When the Commission adopted the CAT NMS Plan in 2016, it estimated that the CAT would need to receive 58 billion records per day¹³³ and that annual operating costs for the CAT would range from \$36.5 million to \$55 million.¹³⁴ In contrast to the 2016 projections, the actual daily Q1 2025 data volumes averaged 752 billion events per day.

In addition to the effect of the data volume on the cloud hosting costs, the processing timelines set forth in the Plan contribute to the cloud hosting costs. Although CAT LLC has proactively sought to manage cloud hosting costs while complying with the Plan, including through requests to the Commission for exemptive relief and amendments to the CAT NMS Plan to reduce costs, stringent CAT NMS Plan requirements do not allow for any material flexibility in cloud architecture design choices, processing timelines (e.g., the use of non-peak processing windows), or lower-cost storage tiers. As a result, the required CAT processing timelines contribute to the cloud hosting costs of the CAT.

The costs for cloud hosting services also reflect the need for specialized cloud hosting services given the data volume and unique processing needs of the CAT. The data volume as well as the data processing needs of the CAT necessitate the use of cloud hosting services. The equipment, power and services required for an on-premises data model, the alternative to cloud hosting services, would be cost prohibitive. Moreover, as CAT was being developed, there were limited cloud hosting providers that could satisfy all the necessary CAT requirements, including the operational and security criteria. Over time, more providers offering cloud hosting services that would satisfy these criteria have entered the market. CAT LLC will continue to evaluate alternative cloud hosting services, recognizing that the time and cost to move to an alternative cloud provider would be substantial.

The reasonableness of the cloud hosting services costs is further supported by key cost discipline mechanisms for the CAT—cost transparency, cost management efforts (including regular efforts to lower compute and storage costs where permitted by the Plan) and oversight.

Together, these mechanisms help ensure the ongoing reasonableness of the CAT’s costs and the level of fees assessed to support those costs.¹³⁵

(ii) Technology: Operating Fees

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted costs related to operating fees as a part of CAT Fees.¹³⁶ CAT LLC determined that the budgeted costs related to operating fees described in this filing are reasonable and should be included as a part of Budgeted CAT Costs 2025–2.

The operating fees would include the negotiated fees paid by CAT LLC to the Plan Processor to operate and maintain the system for order-related information and to perform business operations related to the system, including compliance, security, testing, training, communications with the industry (e.g., management of the FINRA CAT Helpdesk, FAQs, website and webinars) and program management. CAT LLC determined that the selection of FCAT as the Plan Processor was reasonable and appropriate given its expertise with securities regulatory reporting, after a process of considering other potential candidates.¹³⁷ CAT LLC also determined that the fixed price contract, negotiated on an arm’s length basis with the goals of managing costs and receiving services required to comply with the CAT NMS Plan and Rule 613, was reasonable and appropriate, taking into consideration a variety of factors, including the breadth of services provided and market rates for similar types of activity.¹³⁸ The services to be performed by FCAT for CAT Fee 2025–2 Period and the budgeted costs related to such services are described above.¹³⁹

The operating costs also include costs related to the receipt of market data. CAT LLC anticipates receiving certain market data from Algoseek during the CAT Fee 2025–2 Period. CAT LLC anticipates that Algoseek will provide data as set forth in the SIP Data requirements of the CAT NMS Plan and that the fees are reasonable and in line with market rates for market data received.¹⁴⁰

¹³¹ See Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan.

¹³² For a discussion of the amount and type of cloud hosting services fees, see Item II.A.1.(2)(C)(i) above.

¹³³ See CAT NMS Plan, Appendix D–4, n.262.

¹³⁴ CAT NMS Plan Approval Order, 81 FR 84696, 84801.

¹³⁵ See Securities Exchange Act Release No. 97151 (March 15, 2023), 88 FR 17086, 17117 (March 21, 2023) (describing key cost discipline mechanisms for the CAT).

¹³⁶ See Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan.

¹³⁷ See Item II.A.1.(2)(C)(ii) above.

¹³⁸ See *supra* note 137.

¹³⁹ See *supra* note 137.

¹⁴⁰ See *supra* note 137.

(iii) Technology: CAIS Operating Fees

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted costs related to CAIS operating fees as a part of CAT Fees.¹⁴¹ CAT LLC determined that the budgeted costs related to CAIS operating fees described in this filing are reasonable and should be included as a part of the Budgeted CAT Costs 2025–2. The CAIS operating fees would include the fees paid to the Plan Processor to operate and maintain CAIS and to perform the business operations related to the system, including compliance, security, testing, training, communications with the industry (*e.g.*, management of the FINRA CAT Helpdesk, FAQs, website and webinars) and program management. CAT LLC determined that the fees for FCAT's CAIS-related services, negotiated on an arm's length basis with the goals of managing costs and receiving services required to comply with the CAT NMS Plan, taking into consideration a variety of factors, including the services to be provided and market rates for similar types of activity, are reasonable and appropriate.¹⁴² The services to be performed by FCAT for the CAT Fee 2025–2 Period and the budgeted costs for such services are described above.¹⁴³

(iv) Technology: Change Request Fees

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted costs related to change request fees as a part of CAT Fees.¹⁴⁴ CAT LLC determined that the budgeted costs related to change request fees described in this filing are reasonable and should be included as a part of the Budgeted CAT Costs 2025–2. It is common practice to utilize a change request process to address evolving needs in technology projects. This is particularly true for a project like CAT that is the first of its kind, both in substance and in scale. The substance and costs of each of the change requests are evaluated by the Operating Committee and approved in accordance with the requirements for Operating Committee meetings. In each case, CAT LLC forecasts that the change requests will be necessary to implement the CAT. As described above,¹⁴⁵ CAT LLC has included a reasonable placeholder budget amount for potential change requests that may arise during 2025. As

noted above, the total budgeted costs for change requests during the CAT Fee 2025–2 Period represent a small percentage of the Budgeted CAT Costs 2025–2—that is, less than 1% of Budgeted CAT Costs 2025–2.

(v) Capitalized Developed Technology Costs

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted costs related to capitalized developed technology costs as a part of CAT Fees.¹⁴⁶ In general, capitalized developed technology costs would include costs related to, for example, certain development costs, costs related to certain modifications, upgrades and other changes to the CAT, CAIS implementation fees and license fees. The amount and type of budgeted capitalized developed technology costs for the CAT Fee 2025–2 Period, which relate to the CAIS software license fee and technology changes to be implemented by FCAT, are described in more detail above.¹⁴⁷ Specifically, CAT LLC determined that it was reasonable not to include any capitalized developed technology costs in the Budgeted CAT Costs 2025–2.

(vi) Legal

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted costs related to legal fees as a part of CAT Fees.¹⁴⁸ CAT LLC determined that the budgeted legal costs described in this filing are reasonable and should be included as a part of the Budgeted CAT Costs 2025–2. Given the unique nature of the CAT, the number of parties involved with the CAT (including, for example, the SEC, Participants, Industry Members, and vendors) and the many regulatory, contractual and other issues associated with the CAT, the scope of the necessary legal services is substantial. CAT LLC determined that the scope of the proposed legal services is necessary to implement and maintain the CAT and that the legal rates reflect the specialized services necessary for such a project. CAT LLC determined to hire and continue to use each law firm based on a variety of factors, including their relevant expertise and fees. In each case, CAT LLC determined that the fee rates were in line with market rates for specialized legal expertise. In addition, CAT LLC determined that the budgeted costs for the legal projects were appropriate given the breadth of the

services provided. The services to be performed by each law firm for the CAT Fee 2025–2 Period and the budgeted costs related to such services are described above.¹⁴⁹

(vii) Consulting

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted consulting costs as a part of CAT Fees.¹⁵⁰ CAT LLC determined that the budgeted consulting costs described in this filing are reasonable and should be included as a part of Budgeted CAT Costs 2025–2. Because there are no CAT employees¹⁵¹ and because of the significant number of issues associated with the CAT, the consultants are budgeted to provide assistance in the management of various CAT matters and the processes related to such matters.¹⁵² CAT LLC determined the budgeted consulting costs were appropriate, as the consulting services were to be provided at reasonable market rates that were comparable to the rates charged by other consulting firms for similar work. Moreover, the total budgeted costs for such consulting services were appropriate in light of the breadth of services provided by Deloitte. The services budgeted to be performed by Deloitte and the budgeted costs related to such services are described above.¹⁵³

(viii) Insurance

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted insurance costs as a part of CAT Fees.¹⁵⁴ CAT LLC determined that the budgeted insurance costs described in this filing are reasonable and should be included as a part of the Budgeted CAT Costs 2025–2. CAT LLC determined that it is common practice to have directors' and officers' liability insurance, and errors and omissions liability insurance. CAT LLC further determined that it was important to have cyber security insurance given the nature of the CAT, and such a decision is consistent with the CAT NMS Plan, which states that the cyber incident response plan may include “[i]nsurance against security

¹⁴¹ See Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan.

¹⁴² See Item II.A.1.(2)(C)(iii) above.

¹⁴³ See *supra* note 142.

¹⁴⁴ See Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan.

¹⁴⁵ See Item II.A.1.(2)(C)(iv) above.

¹⁴⁶ See Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan.

¹⁴⁷ See Item II.A.1.(2)(C)(v) above.

¹⁴⁸ See Section 11.3(a)(iii)(B)(B)(2) of the CAT NMS Plan.

¹⁴⁹ See Item II.A.1.(2)(C)(vi) above.

¹⁵⁰ See Section 11.3(a)(iii)(B)(B)(3) of the CAT NMS Plan.

¹⁵¹ As stated in the filing of the proposed CAT NMS Plan, “[i]t is the intent of the Participants that the Company have no employees.” See Securities Exchange Act Release No. 77724 (April 27, 2016), 81 FR 30614, 30621 (May 17, 2016).

¹⁵² CAT LLC uses certain third parties to perform tasks that may be performed by administrators for other NMS Plans. See, *e.g.*, CTA Plan and CQ Plan.

¹⁵³ See Item II.A.1.(2)(C)(vii) above.

¹⁵⁴ See Section 11.3(a)(iii)(B)(B)(4) of the CAT NMS Plan.

breaches.”¹⁵⁵ As discussed above,¹⁵⁶ CAT LLC determined that the budgeted insurance costs were appropriate given its prior experience with this market and an analysis of the alternative insurance offerings. Based on this analysis, CAT LLC determined that the selected insurance policies provided appropriate coverage at reasonable market rates.¹⁵⁷

(ix) Professional and Administration

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted professional and administration costs as a part of CAT Fees.¹⁵⁸ CAT LLC determined that the budgeted professional and administration costs described in this filing are reasonable and should be included as a part of Budgeted CAT Costs 2025–2. Because there are no CAT employees, all required accounting, financial, tax, cash management and treasury functions for CAT LLC have been outsourced at market rates. In addition, the required annual financial statement audit of CAT LLC is included in professional and administration costs, which costs are also at market rates. The services performed by Anchin and Grant Thornton and the costs related to such services are described above.¹⁵⁹

CAT LLC anticipates continuing to make use of Anchin, a financial advisory firm, to assist with financial matters for the CAT. CAT LLC determined that the budgeted costs for Anchin were appropriate, as the financial advisory services were to be provided at reasonable market rates that were comparable to the rates charged by other such firms for similar work. Moreover, the total budgeted costs for such financial advisory services were appropriate in light of the breadth of services provided by Anchin. The services budgeted to be performed by Anchin and the budgeted costs related to such services are described above.¹⁶⁰

CAT LLC anticipates continuing to make use of Grant Thornton, an independent accounting firm, to complete the audit of CAT LLC’s financial statements, in accordance with the requirements of the CAT NMS Plan. CAT LLC determined that the budgeted costs for Grant Thornton were appropriate, as the accounting services were to be provided at reasonable market rates that were comparable to the

rates charged by other such firms for similar work. Moreover, the total budgeted costs for such accounting services were appropriate in light of the breadth of services provided by Grant Thornton. The services budgeted to be performed by Grant Thornton and the budgeted costs related to such services are described above.¹⁶¹

(x) Public Relations Costs

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted public relations costs as a part of CAT Fees.¹⁶² However, as described above,¹⁶³ CAT LLC determined not to include any public relations costs in Budgeted CAT Costs 2025–2. CAT LLC determined that it was reasonable not to include any public relations costs in the Budgeted CAT Costs 2025–2.

(xi) Reserve

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted reserve costs as a part of CAT Fees.¹⁶⁴ CAT LLC determined that the reserve in the amount of 25% of the Updated 2025 CAT Budget (other than the reserve) complies with the requirements of the CAT NMS Plan related to a reserve, is a reasonable amount, and therefore, should be included as a part of the Updated 2025 CAT Budget.

In its approval order for the CAT Funding Model, the Commission stated that it would be reasonable for the annual operating budget for the CAT to “include a reserve of not more than 25% of the annual budget.”¹⁶⁵ In making this statement, the Commission noted the following:

Because the CAT is a critical regulatory tool/system, the CAT needs to have a stable funding source to build financial stability to support the Company as a going concern. Funding for the CAT, as noted in Section 11.1(b), is the responsibility of the Participants and the industry. Because CAT fees are charged based on the budget, which is based on anticipated volume, it is reasonable to have a reserve on hand to prevent a shortfall in the event there is an unexpectedly high volume in a given year. A reserve would help to assure that the CAT has sufficient resources to cover costs should there be unanticipated costs or costs that are higher than expected.¹⁶⁶

¹⁶¹ See *supra* note 159.

¹⁶² See Section 11.3(a)(iii)(B)(B)(6) of the CAT NMS Plan.

¹⁶³ See Item II.A.1.(2)(C)(x) above.

¹⁶⁴ See Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan.

¹⁶⁵ CAT Funding Model Approval Order, 88 FR 62628, 62657.

¹⁶⁶ See *supra* note 165.

The SEC also recognized that a reserve would help address the difficulty in predicting certain variable CAT costs, like trading volume.¹⁶⁷ The SEC also recognized that CAT fees will be collected approximately three months after trading activity on which a CAT fee is based, or 25% of the year, and that the reserve would be available to address funding needs related to this three-month delay.¹⁶⁸ The inclusion of the proposed reserve in the Updated 2025 CAT Budget would provide each of these benefits to the CAT. The reserve is discussed further above.¹⁶⁹

As discussed further below,¹⁷⁰ however, a surplus reserve balance in excess of the budgeted 25% reserve has been collected through the first quarter of 2025 and has been budgeted to be collected during the second quarter of 2025. Accordingly, the Updated 2025 CAT Budget indicates that this surplus would be used to offset a portion of CAT costs for the third and fourth quarters of 2025, thereby reducing the fee rate for CAT Fee 2025–2 (\$0.000009 per executed equivalent share) as compared to CAT Fee 2025–1 (\$0.000022 per executed equivalent share), and that no additional reserve is budgeted to be collected during the third and fourth quarters of 2025.

(B) Reconciliation of Budget to the Collected Fees

The CAT NMS Plan also requires fee filings for Prospective CAT Fees to include “a discussion of how the budget is reconciled to the collected fees.”¹⁷¹ As discussed above,¹⁷² the Updated 2025 CAT Budget states that CAT LLC had accrued \$70,942,596 for the reserve as of the beginning of 2025, and an additional \$28,846,075 during the first quarter of 2025, from the collection of CAT Fees 2024–1 and 2025–1 and the related Participant CAT Fees. In addition, the Updated 2025 CAT Budget anticipates the collection of an additional \$11,821,477 during the second quarter of 2025 via CAT Fee 2025–1 and the related Participant CAT Fee. Accordingly, the Updated 2025 CAT Budget estimates that CAT LLC would maintain a 25% reserve amount of \$57,083,638 and collect a surplus reserve amount through June 2025 of \$54,526,412 over the 25% reserve

¹⁶⁷ See *supra* note 165.

¹⁶⁸ See *supra* note 165.

¹⁶⁹ See Item II.A.1.(2)(C)(xi) above.

¹⁷⁰ See Item II.A.2.(2)(B) below.

¹⁷¹ See Section 11.3(a)(iii)(B)(C) of the CAT NMS Plan.

¹⁷² See Item II.A.1.(2)(C)(xi) above.

¹⁵⁵ See Appendix D–14 of the CAT NMS Plan.

¹⁵⁶ See Item II.A.1.(2)(C)(viii) above.

¹⁵⁷ See *supra* note 156.

¹⁵⁸ See Section 11.3(a)(iii)(B)(B)(5) of the CAT NMS Plan.

¹⁵⁹ See Item II.A.1.(2)(C)(ix) above.

¹⁶⁰ See *supra* note 159.

amount of \$57,083,638.¹⁷³ Such surplus reserve balance of \$54,526,412 would be used to offset a portion of CAT costs for the third and fourth quarters of 2025, thereby reducing the fee rate for CAT Fee 2025–2 (\$0.000009 per executed equivalent share) as compared to CAT Fee 2025–1 (\$0.000022 per executed equivalent share).

(C) Total Executed Equivalent Share Volume for the Prior 12 Months

The total executed equivalent share volume of transactions in Eligible Securities for the period from April 2024 through March 2025 was 4,580,287,680,646.28 executed equivalent shares. CAT LLC determined the total executed equivalent share volume for the prior twelve months by counting executed equivalent shares in the same manner as it counts executed equivalent shares for CAT billing purposes.¹⁷⁴

(D) Projected Executed Equivalent Share Volume for the CAT Fee 2025–2 Period

CAT LLC has determined that the projected total executed equivalent share volume for the six months of CAT Fee 2025–2 Period by multiplying by one-half the executed equivalent share volume for the prior twelve months: one-half times 4,580,287,680,646.28 executed equivalent shares.¹⁷⁵ CAT LLC determined that such an approach was reasonable as the CAT's annual executed equivalent share volume has remained relatively constant in recent years. For example, the executed equivalent share volume for 2021 was 3,963,697,612,395, the executed equivalent share volume for 2022 was 4,039,821,841,560.31, the executed equivalent share volume for 2023 was 3,868,940,345,680.6, and the executed equivalent share volume for 2024 was 4,295,884,600,069.41.

(E) Actual Fee Rate for CAT Fee 2025–2

(i) Decimal Places

As noted in the approval order for the CAT Funding Model, as a practical matter, the fee filing for a CAT Fee would provide the exact fee per executed equivalent share to be paid for each CAT Fee, by multiplying the Fee Rate by one-third and describing the relevant number of decimal places for the fee rate.¹⁷⁶ Accordingly, proposed paragraph (a)(1)(E)(ii) of Rule 6897

would set forth a fee rate of \$0.000009 per executed equivalent share. This fee rate is calculated by multiplying Fee Rate 2025–2 by one-third and rounding the result to six decimal places. CAT LLC determined that the use of six decimal places is reasonable as it balances the accuracy of the calculation with the potential systems and other impracticalities of using additional decimal places in the calculation.¹⁷⁷

(ii) Reasonable Fee Level

FINRA believes that charging CAT Fee 2025–2 with a fee rate of \$0.000009 per executed equivalent share is reasonable because it provides for a revenue stream for the Company that is aligned with the Budgeted CAT Costs 2025–2. Moreover, FINRA believes that the level of the fee rate is reasonable in that it is calculated in accordance with the SEC-approved CAT Funding Model, it is less than CAT Fee 2025–1 and is comparable to other transaction-based fees. Indeed, CAT Fee 2025–2 is significantly lower than fees previously assessed pursuant to Section 31 (e.g., \$0.0009 per share to \$0.0004 per share),¹⁷⁸ and, as a result, the magnitude of CAT Fee 2025–2 is small, and therefore will mitigate any potential adverse economic effects or inefficiencies.¹⁷⁹

(3) CAT Fee 2025–2 Provides for an Equitable Allocation of Fees

CAT Fee 2025–2 provides for an equitable allocation of fees, as it equitably allocates CAT costs between and among the Participants and Industry Members, in accordance with the SEC-approved CAT Funding Model. The SEC approved the CAT Funding Model, finding that each aspect of the CAT Funding Model satisfied the requirements of the Exchange Act, including the formula for calculating CAT Fees as well as the Industry Members to be charged the CAT Fees.¹⁸⁰ In approving the CAT Funding Model,

the SEC stated that “[t]he Participants have sufficiently demonstrated that the proposed allocation of fees is reasonable.”¹⁸¹ Accordingly, the CAT Funding Model sets forth the requirements for allocating fees related to Budgeted CAT Costs among Participants and Industry Members, and the fee filings for CAT Fees must comply with those requirements.

CAT Fee 2025–2 provides for an equitable allocation of fees as it complies with the requirements regarding the calculation of CAT Fees as set forth in the CAT NMS Plan. For example, as described above, the calculation of CAT Fee 2025–2 complies with the formula set forth in Section 11.3(a) of the CAT NMS Plan. In addition, CAT Fee 2025–2 would be charged to CEBBs and CEBBs in accordance with Section 11.3(a) of the CAT NMS Plan. Furthermore, the Participants would be charged for their designated share of the Budgeted CAT Costs 2025–2 through a fee implemented via the CAT NMS Plan, which would have the same fee rate as CAT Fee 2025–2.

In addition, as discussed above, each of the inputs into the calculation of CAT Fee 2025–2—the Budgeted CAT Costs 2025–2, the count for the executed equivalent share volume for the prior 12 months, and the projected executed equivalent share volume for the CAT Fee 2025–2 Period—are reasonable. Moreover, these inputs lead to a fee rate for CAT Fee 2025–2 that is reasonable as it is consistent with the SEC-approved CAT Funding Model and is lower than other fee rates for transaction-based fees. A reasonable fee rate allocated in accordance with the requirements of the CAT Funding Model provides for an equitable allocation of fees.

(4) CAT Fee 2025–2 Is Not Unfairly Discriminatory

CAT Fee 2025–2 is not an unfairly discriminatory fee. The SEC approved the CAT Funding Model, finding that each aspect of the CAT Funding Model satisfies the requirements of the Exchange Act. In reaching this conclusion, the SEC analyzed the potential effect of CAT Fees calculated pursuant to the CAT Funding Model on affected categories of market participants, including Participants (including exchanges and FINRA), Industry Members (including subcategories of Industry Members, such as alternative trading systems, CAT Executing Brokers and market makers),

¹⁷⁷ See Item II.A.1.(5)(A) above.

¹⁷⁸ CAT Funding Model Approval Order, 88 FR 62628, 62663, 62682. In explaining the comparison of Section 31 fees to CAT fees in the CAT Funding Model Approval Order, the SEC noted that “Section 31 fees are expressed per dollar volume traded. Translating this to a per share range involves identifying reasonable high and low trade sizes. The lower end of this range comes from the 25th percentile in \$ trade size of 1,200 and share trade size of 71 from the first quarter of 2021. The higher end of this range comes from the 75th percentile in \$ trade size of 5,200 and share trade size of 300 from the first quarter of 2021. Section 31 fees have ranged from \$5.10 per \$Million to \$23.10 per \$Million from Oct. 1, 2016 to Mar. 1, 2023.” CAT Funding Model Approval Order, 88 FR 62628, 62682 n.1100. In 2024, Section 31 fees were raised further to \$27.80 per million dollars.

¹⁷⁹ See *supra* note 178.

¹⁸⁰ See Section 11.3(a) of the CAT NMS Plan.

¹⁷³ This calculation is (\$70,942,596 + \$28,846,075 + \$11,821,477) – \$57,083,638 = \$54,526,412.

¹⁷⁴ See Item II.A.1.(2)(D) above.

¹⁷⁵ See *supra* note 174.

¹⁷⁶ CAT Funding Model Approval Order, 88 FR 62628, 62658, n.658.

¹⁸¹ See CAT Funding Model Approval Order, 88 FR 62628, 62629.

and investors generally, and considered market effects related to equities and options, among other things. CAT Fee 2025–2 complies with the requirements regarding the calculation of CAT Fees as set forth in the CAT NMS Plan. In addition, as discussed above, each of the inputs into the calculation of CAT Fee 2025–2 and the resulting fee rate for CAT Fee 2025–2 is reasonable, consistent with the SEC-approved CAT Funding Model. Therefore, CAT Fee 2025–2 does not impose an unfairly discriminatory fee on Industry Members.

FINRA believes the proposed fees established pursuant to the CAT Funding Model promote just and equitable principles of trade, and, in general, protect investors and the public interest, and are provided in a transparent manner and with specificity in proposed paragraph (a)(1)(E) of Rule 6897. FINRA also believes that the proposed fees are reasonable in that they would provide ease of calculation, ease of billing and other administrative functions, and predictability of a fee based on a fixed rate per executed equivalent share and are consistent with the SEC-approved CAT Funding Model. Such factors are crucial to estimating a reliable revenue stream for CAT LLC and for permitting Industry Members to reasonably predict their payment obligations for budgeting purposes.

B. Self-Regulatory Organization's Statement on Burden on Competition

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Section 15A(b)(9) of the Act¹⁸² requires that FINRA rules not impose any burden on competition that is not necessary or appropriate in furtherance of the purpose of the Exchange Act. FINRA notes that CAT Fee 2025–2 implements provisions of the CAT NMS Plan that were approved by the Commission and is designed to assist FINRA in meeting its regulatory obligations pursuant to the Plan.

In addition, all Participants (including exchanges and FINRA) are proposing to introduce CAT Fee 2025–2 on behalf of CAT LLC to implement the requirements of the CAT NMS Plan. Therefore, this is not a competitive fee filing, and, therefore, it does not raise competition issues between and among the Participants.

Furthermore, in approving the CAT Funding Model, the SEC analyzed the

potential competitive impact of the CAT Funding Model, including competitive issues related to market services, trading services and regulatory services, efficiency concerns, and capital formation.¹⁸³ The SEC also analyzed the potential effect of CAT fees calculated pursuant to the CAT Funding Model on affected categories of market participants, including Participants (including exchanges and FINRA), Industry Members (including subcategories of Industry Members, such as alternative trading systems, CAT Executing Brokers and market makers), and investors generally, and considered market effects related to equities and options, among other things. Based on this analysis, the SEC approved the CAT Funding Model as compliant with the Exchange Act. CAT Fee 2025–2 is calculated and implemented in accordance with the CAT Funding Model as approved by the SEC.

As discussed above, each of the inputs into the calculation of CAT Fee 2025–2 is reasonable and the resulting fee rate for CAT Fee 2025–2 calculated in accordance with the CAT Funding Model is reasonable. Therefore, CAT Fee 2025–2 would not impose any burden on competition that is not necessary or appropriate in furtherance of the purpose of the Exchange Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments were neither solicited nor received.

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 Act¹⁸⁴ and paragraph (f)(2) of Rule 19b–4 thereunder.¹⁸⁵ 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 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. Please include file number SR–FINRA–2025–009 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–FINRA–2025–009. 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 FINRA. 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–FINRA–2025–009 and should be submitted on or before July 29, 2025.

¹⁸³ CAT Funding Model Approval Order, 88 FR 62628, 62676–86.

¹⁸⁴ 15 U.S.C. 78s(b)(3)(A).

¹⁸⁵ 17 CFR 240.19b–4(f)(2).

¹⁸² 15 U.S.C. 78o–3(b)(9).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁸⁶

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025–12618 Filed 7–7–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 35665; 812–15787]

Private Debt & Income Fund and Brighton Jones LLC

July 2, 2025.

AGENCY: Securities and Exchange Commission (“Commission” or “SEC”).

ACTION: Notice.

Notice of an application under section 6(c) of the Investment Company Act of 1940 (the “Act”) for an exemption from sections 18(a)(2), 18(c) and 18(i) of the Act and for an order pursuant to section 17(d) of the Act and rule 17d–1 under the Act.

SUMMARY OF APPLICATION: Applicants request an order to permit certain registered closed-end investment companies to issue multiple classes of shares of beneficial interest with varying sales loads and to impose asset-based distribution and/or service fees.

APPLICANTS: Private Debt & Income Fund Brighton Jones LLC.

FILING DATE: The application was filed on May 8, 2025.

HEARING OR NOTIFICATION OF HEARING: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing on any application by emailing the SEC’s Secretary at Secretarys-Office@sec.gov and serving the Applicants with a copy of the request by email, if an email address is listed for the relevant Applicant below, or personally or by mail, if a physical address is listed for the relevant Applicant below. Hearing requests should be received by the Commission by 5:30 p.m. on July 28, 2025, and should be accompanied by proof of service on the Applicants, in the form of an affidavit, or, for lawyers, a certificate of service. Pursuant to rule 0–5 under the Act, hearing requests should state the nature of the writer’s interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a

hearing may request notification by emailing the Commission’s Secretary.

ADDRESSES: The Commission: Secretarys-Office@sec.gov. Applicants: Terrence Davis, Esq. and Tanya Boyle, Esq., DLA Piper LLP, 1201 West Peachtree Street, Suite 2900, Atlanta, GA 30309, with a copy to Christina Owens, Brighton Jones LLC, 2030 1st Avenue, 3rd Floor Seattle, Washington 98121.

FOR FURTHER INFORMATION CONTACT: Rachel Loko, Senior Special Counsel, at (202) 551–6825 (Division of Investment Management, Chief Counsel’s Office).

SUPPLEMENTARY INFORMATION: For Applicants’ representations, legal analysis, and conditions, please refer to Applicants’ application, dated May 8, 2025, which may be obtained via the Commission’s website by searching for the file number at the top of this document, or for an Applicant using the Company name search field on the SEC’s EDGAR system. The SEC’s EDGAR system may be searched at <https://www.sec.gov/edgar/searchedgar/companysearch>. You may also call the SEC’s Office of Investor Education and Advocacy at (202) 551–8090.

For the Commission, by the Division of Investment Management, under delegated authority.

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025–12623 Filed 7–7–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103374; File No. SR–MEMX–2025–20]

Self-Regulatory Organizations; MEMX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Establish Fees for Industry Members Related to Reasonably Budgeted Costs of the National Market System Plan Governing the Consolidated Audit Trail for the Period From July 1, 2025 Through December 31, 2025

July 2, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b–4 thereunder,² notice is hereby given that on June 30, 2025, MEMX LLC (“MEMX” or the “Exchange”) filed with the Securities and Exchange Commission (the “SEC” or “Commission”) the proposed rule change as described in Items I, II, and

III below, which Items have been prepared by the Exchange.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange is filing with the Commission a proposed rule change to establish fees for Industry Members³ related to reasonably budgeted CAT costs of the National Market System Plan Governing the Consolidated Audit Trail (the “CAT NMS Plan” or “Plan”) for the period from July 1, 2025 through December 31, 2025. These fees would be payable to Consolidated Audit Trail, LLC (“CAT LLC” or the “Company”) and referred to as CAT Fee 2025–2, and would be described in a section of the Exchange’s fee schedule entitled “Consolidated Audit Trail Funding Fees.” The fee rate for CAT Fee 2025–2 would be \$0.000009 per executed equivalent share. CAT Executing Brokers will receive their first monthly invoice for CAT Fee 2025–2 in August 2025 calculated based on their transactions as CAT Executing Brokers for the Buyer (“CEBB”) and/or CAT Executing Brokers for the Seller (“CEBS”) in July 2025. As described further below, CAT Fee 2025–2 is anticipated to be in place for six months, and is anticipated to recover approximately one-half of the costs set forth in the reasonably budgeted CAT costs for 2025. CAT LLC intends for CAT Fee 2025–2 to replace CAT Fee 2025–1 (which has a fee rate of \$0.000022), as discussed herein.⁴ The text of the proposed rule change is in Exhibit 5.

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

³ An “Industry Member” is defined as “a member of a national securities exchange or a member of a national securities association.” See Rule 4.5(u). See also Section 1.1 of the CAT NMS Plan. Unless otherwise specified, capitalized terms used in this rule filing are defined as set forth in the CAT NMS Plan and/or the CAT Compliance Rule. See Rule 4.5.

⁴ See paragraph (a)(4) of Rule 4.17. See also Securities and Exchange Act Rel. No. 34–102061 (December 20, 2024) 90 FR 715 (January 6, 2025) (SR–MEMX–2024–49) (“Fee Filing for CAT Fee 2025–1”).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

¹⁸⁶ 17 CFR 200.30–3(a)(12).

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

On July 11, 2012, the Commission adopted Rule 613 of Regulation NMS, which required the self-regulatory organizations ("SROs") to submit a national market system ("NMS") plan to create, implement and maintain a consolidated audit trail that would capture customer and order event information for orders in NMS securities across all markets, from the time of order inception through routing, cancellation, modification or execution.⁵ On November 15, 2016, the Commission approved the CAT NMS Plan.⁶ Under the CAT NMS Plan, the Operating Committee has the discretion to establish funding for CAT LLC to operate the CAT, including establishing fees for Industry Members to be assessed by CAT LLC that would be implemented on behalf of CAT LLC by the Participants.⁷ The Operating Committee adopted a revised funding model to fund the CAT ("CAT Funding Model"). On September 6, 2023, the Commission approved the CAT Funding Model after concluding that the model was reasonable and that it satisfied the requirements of Section 11A of the Exchange Act and Rule 608 thereunder.⁸

The CAT Funding Model provides a framework for the recovery of the costs to create, develop and maintain the CAT, including providing a method for allocating costs to fund the CAT among Participants and Industry Members. The CAT Funding Model establishes two categories of fees: (1) CAT fees assessed by CAT LLC and payable by certain Industry Members to recover a portion of historical CAT costs previously paid by the Participants ("Historical CAT Assessment" fees); and (2) CAT fees assessed by CAT LLC and payable by Participants and Industry Members to fund prospective CAT costs ("CAT Fees").⁹

Under the CAT Funding Model, Participants, CEBBs and CEBs are subject to fees designed to cover the ongoing budgeted costs of the CAT, as determined by the Operating Committee. "The Operating Committee will establish fees ('CAT Fees') to be payable by Participants and Industry Members with regard to CAT costs not previously paid by the Participants ('Prospective CAT Costs')." ¹⁰ In establishing a CAT Fee, the Operating Committee will calculate a "Fee Rate" for the relevant period. Then, for each month in which a CAT Fee is in effect, each CEBB and CEB would be required to pay the fee for each transaction in Eligible Securities executed by the CEBB or CEBs from the prior month as set forth in CAT Data, where the fee for each transaction will be calculated by multiplying the number of executed equivalent shares in the transaction by one-third and by the Fee Rate.¹¹

The CAT Fees to be paid by CEBBs and CEBs are designed to contribute toward the recovery of two-thirds of the budgeted CAT costs for the relevant period.¹² The CAT Funding Model is designed to require that the Participants contribute to the recovery of the remaining one-third of the budgeted CAT costs.¹³ Participants would be subject to the same Fee Rate as CEBBs and CEBs.¹⁴ While CAT Fees charged to Industry Members become effective in accordance with the requirements of Section 19(b) of the Exchange Act,¹⁵ CAT fees charged to Participants are implemented via an approval of the CAT fees by the Operating Committee in accordance with the requirements of the CAT NMS Plan.¹⁶ Accordingly, this filing does not address Participant CAT fees as they are described in the CAT NMS Plan.¹⁷

CAT LLC proposes to charge CEBBs and CEBs (as described in more detail below) CAT Fee 2025–2 to recover the reasonably budgeted CAT costs for the period from July 1, 2025 through

December 31, 2025 in accordance with the CAT Funding Model. To implement this fee on behalf of CAT LLC, the CAT NMS Plan requires the Participants to "file with the SEC under Section 19(b) of the Exchange Act any such fees on Industry Members that the Operating Committee approves, and such fees shall be labeled as 'Consolidated Audit Trail Funding Fees.'" ¹⁸ The Plan further states that "[o]nce the Operating Committee has approved such Fee Rate, the Participants shall be required to file with the SEC pursuant to Section 19(b) of the Exchange Act CAT Fees to be charged to Industry Members calculated using such Fee Rate." ¹⁹ Accordingly, the purpose of this filing is to implement a CAT Fee on behalf of CAT LLC for Industry Members, referred to as CAT Fee 2025–2, in accordance with the CAT NMS Plan.

(1) CAT Executing Brokers

CAT Fee 2025–2 will be charged to each CEBB and CEBs for each applicable transaction in Eligible Securities.²⁰ The CAT NMS Plan defines a "CAT Executing Broker" to mean:

(a) with respect to a transaction in an Eligible Security that is executed on an exchange, the Industry Member identified as the Industry Member responsible for the order on the buy-side of the transaction and the Industry Member responsible for the sell-side of the transaction in the equity order trade event and option trade event in the CAT Data submitted to the CAT by the relevant exchange pursuant to the Participant Technical Specifications; and (b) with respect to a transaction in an Eligible Security that is executed otherwise than on an exchange and required to be reported to an equity trade reporting facility of a registered national securities association, the Industry Member identified as the executing broker and the Industry Member identified as the contra-side executing broker in the TRF/ORF/ADF transaction data event in the CAT Data submitted to the CAT by FINRA

⁵ Securities Exchange Act Rel. No. 67457 (July 18, 2012), 77 FR 45722 (Aug. 1, 2012).

⁶ Securities Exchange Act Rel. No. 79318 (Nov. 15, 2016), 81 FR 84696 (Nov. 23, 2016) ("CAT NMS Plan Approval Order").

⁷ Section 11.1(b) of the CAT NMS Plan.

⁸ Securities Exchange Act Rel. No. 98290 (Sept. 6, 2023), 88 FR 62628 (Sept. 12, 2023) ("CAT Funding Model Approval Order").

⁹ Under the CAT Funding Model, the Operating Committee may establish CAT Fees related to CAT costs going forward. Section 11.3(a) of the CAT NMS Plan. This filing only establishes CAT Fee 2025–2 related to reasonably budgeted CAT costs for the period from July 1, 2025 through December

31, 2025 as described herein; it does not address any other potential CAT Fees related to CAT costs. Any such other CAT Fee will be subject to a separate fee filing. In addition, under the CAT Funding Model, the Operating Committee may establish one or more Historical CAT Assessments. Section 11.3(b) of the CAT NMS Plan. This filing does not address any Historical CAT Assessments.

¹⁰ Section 11.3(a) of the CAT NMS Plan.

¹¹ In approving the CAT Funding Model, the Commission stated that, "[t]he proposed recovery of Prospective CAT Costs is appropriate." CAT Funding Model Approval Order at 62651.

¹² Section 11.3(a)(iii)(A) of the CAT NMS Plan.

¹³ Section 11.3(a)(ii)(A) of the CAT NMS Plan.

¹⁴ Section 11.3(a)(ii) of the CAT NMS Plan.

¹⁵ Section 11.3(a)(i)(A)(I) of the CAT NMS Plan.

¹⁶ CAT Funding Model Approval Order at 62659.

¹⁷ See Section 11.3(a)(ii) and Appendix B of the CAT NMS Plan.

¹⁸ Section 11.1(b) of the CAT NMS Plan.

¹⁹ Section 11.3(a)(i)(A)(I) of the CAT NMS Plan.

²⁰ In its approval of the CAT Funding Model, the Commission determined that charging CAT fees to CAT Executing Brokers was reasonable. In reaching this conclusion, the Commission noted that the use of CAT Executing Brokers is appropriate because the CAT Funding Model is based upon the calculation of *executed* equivalent shares, and, therefore, charging CAT Executing Brokers would reflect their executing role in each transaction. Furthermore, the Commission noted that, because CAT Executing Brokers are already identified in transaction reports from the exchanges and FINRA's equity trade reporting facilities recorded in CAT Data, charging CAT Executing Brokers could streamline the billing process. CAT Funding Model Approval Order at 62629.

pursuant to the Participant Technical Specifications; provided, however, in those circumstances where there is a non-Industry Member identified as the contra-side executing broker in the TRF/ORF/ADF transaction data event or no

contra-side executing broker is identified in the TRF/ORF/ADF transaction data event, then the Industry Member identified as the executing broker in the TRF/ORF/ADF transaction data event would be treated as CAT

Executing Broker for the Buyer and for the Seller.²¹

The following fields of the Participant Technical Specifications indicate the CAT Executing Brokers for the transactions executed on an exchange:

EQUITY ORDER TRADE (EOT)²²

No.	Field name	Data type	Description	Include key
12.n.8/13.n.8	member	Member Alias	The identifier for the member firm that is responsible for the order on this side of the trade. Not required if there is no order for the side as indicated by the NOBUYID/NOSELLID instruction. This must be provided if orderID is provided.	C

OPTION TRADE (OT)²³

No.	Field name	Data type	Description	Include key
16.n.13/17.n.13	member	Member Alias	The identifier for the member firm that is responsible for the order ..	R

In addition, the following fields of the Participant Technical Specifications would indicate the CAT Executing

Brokers for the transactions executed otherwise than on an exchange:

TRF/ORF/ADF TRANSACTION DATA EVENT (TRF)²⁴

No.	Field name	Data type	Description	Include key
26	reportingExecutingMpid	Member Alias	MPID of the executing party	R
28	contraExecutingMpid	Member Alias	MPID of the contra-side executing party	C

(2) Calculation of Fee Rate 2025–2

The Operating Committee determined the Fee Rate to be used in calculating CAT Fee 2025–2 (“Fee Rate 2025–2”) by dividing the reasonably budgeted CAT costs (“Budgeted CAT Costs 2025–2”) for the period from July 1, 2025 through December 31, 2025 (“CAT Fee 2025–2 Period”) by the reasonably projected total executed share volume of all transactions in Eligible Securities for the six-month recovery period, as discussed in detail below.²⁵ Based on this calculation, the Operating Committee has determined that Fee Rate 2025–2 would be \$0.00002651641828376661 per executed equivalent share. This rate is then divided by three and rounded to determine the fee rate of \$0.000009 per executed equivalent share that will be

assessed to CEBBs and CEBSSs, as also discussed in detail below.

(A) CAT Fee 2025–2 Period

CAT LLC proposes to implement CAT Fee 2025–2 as the third CAT Fee related to Prospective CAT Costs. CAT LLC proposes to commence CAT Fee 2025–2 during the year, rather than at the beginning of the year. Accordingly, CAT Fee 2025–2 “would be calculated as described in paragraph (II)” of Section 11.3(a)(i)(A) of the CAT NMS Plan,²⁶ which states that “[d]uring each year, the Operating Committee will calculate a new Fee Rate by dividing the reasonably budgeted CAT costs for the remainder of the year by the reasonably projected total executed equivalent share volume of all transactions in Eligible Securities for the remainder of

the year.”²⁷ For CAT Fee 2025–2, the reasonably budgeted CAT costs for “the remainder of the year” are the reasonably budgeted CAT costs from July 1, 2025 through December 31, 2025 as set forth in the updated annual budget for 2025 for CAT LLC approved by the Operating Committee on May 19, 2025 (“Updated 2025 CAT Budget”).²⁸

(B) Executed Equivalent Shares for Transactions in Eligible Securities

Under the CAT NMS Plan, for purposes of calculating CAT Fees, executed equivalent shares in a transaction in Eligible Securities will be reasonably counted as follows: (1) each executed share for a transaction in NMS Stocks will be counted as one executed equivalent share; (2) each executed contract for a transaction in Listed

²¹ Section 1.1 of the CAT NMS Plan. Note that CEBBs and CEBSSs may, but are not required to, pass-through their CAT Fees to their clients, who may, in turn, pass their fees to their clients until they are imposed ultimately on the account that executed the transaction. See CAT Funding Model Approval Order at 62649.

²² See Table 23, Section 4.7 (Order Trade Event) of the CAT Reporting Technical Specifications for Plan Participants, Version 4.1.1 r1 (Apr. 14, 2025),

https://www.catnmsplan.com/sites/default/files/2025-04/04.14.2025_CAT_Reporting_Technical_Specifications_for_Participants_4.1.1-r1.pdf (“CAT Reporting Technical Specifications for Plan Participants”).

²³ See Table 51, Section 5.2.5.1 (Simple Option Trade Event) of the CAT Reporting Technical Specifications for Plan Participants. \

²⁴ See Table 61, Section 6.1 (TRF/ORF/ADF Transaction Data Event) of the CAT Reporting Technical Specifications for Plan Participants.

²⁵ Section 11.3(a)(i) of the CAT NMS Plan.

²⁶ Section 11.3(a)(i)(A)(IV) of the CAT NMS Plan.

²⁷ Section 11.3(a)(i)(A)(II) of the CAT NMS Plan.

²⁸ The Updated 2025 CAT Budget is available on the CAT website (https://www.catnmsplan.com/sites/default/files/2025-05/05.19.25-CAT-LLC-2025-Financial_and_Operating-Budget.pdf).

Options will be counted based on the multiplier applicable to the specific Listed Options (*i.e.*, 100 executed equivalent shares or such other applicable multiplier); and (3) each executed share for a transaction in OTC Equity Securities will be counted as 0.01 executed equivalent share.²⁹

(C) Budgeted CAT Costs 2025–2

The CAT NMS Plan states that “[t]he budgeted CAT costs for the year shall be comprised of all reasonable fees, costs and expenses reasonably budgeted to be incurred by or for the Company in connection with the development, implementation and operation of the CAT as set forth in the annual operating budget approved by the Operating Committee pursuant to Section 11.1(a) of the CAT NMS Plan, or as adjusted during the year by the Operating Committee.”³⁰ Section 11.1(a) of the CAT NMS Plan describes the requirement for the Operating Committee to approve an operating budget for CAT LLC on an annual basis. It requires the budget to “include the projected costs of the Company, including the costs of developing and operating the CAT for the upcoming year, and the sources of all revenues to cover such costs, as well as the funding of any reserve that the Operating Committee reasonably deems appropriate for the prudent operation of the Company.” Section 11.1(a)(i) of the CAT NMS Plan further states that:

[w]ithout limiting the foregoing, the reasonably budgeted CAT costs shall include technology (including cloud hosting services, operating fees, CAIS operating fees, change request fees and capitalized developed technology costs), legal, consulting, insurance, professional and administration, and public relations costs, a reserve and such other cost categories as reasonably determined by the Operating Committee to be included in the budget.

In accordance with the requirements under the CAT NMS Plan, the Operating Committee approved an annual budget for 2025 for CAT LLC (“Original 2025 CAT Budget”) in November 2024.³¹ In May 2025, the Operating Committee approved an updated budget for 2025, referred to as the Updated 2025 CAT Budget. The Updated 2025 CAT Budget includes actual costs for each category for the first quarter of 2025, with updated estimated costs for each category for the second, third and fourth quarters of 2025. The updated costs for the third and fourth quarters set forth in the Updated 2025 CAT Budget (*i.e.*, Budgeted CAT Costs 2025–2) are the costs used in calculating CAT Fee 2025–2. The 2025 CAT budgets, both the Original 2025 CAT Budget and the Updated 2025 CAT Budget, were prepared on the accrual basis of accounting, whereas prior CAT budgets were prepared on the cash basis of accounting.³²

As described in detail below, the Budgeted CAT Costs 2025–2 would be \$60,726,412. CEBBs collectively will be responsible for one-third of the Budgeted

[*sic*] CAT Costs 2025–2 (which is \$20,242,137.33), and CEBBs collectively will be responsible for one-third of the Budgeted CAT Costs 2025–2 (which is \$20,242,137.33).

The following describes in detail the Budgeted CAT Costs 2025–2 for CAT Fee 2025–2. The following cost details are provided in accordance with the requirement in the CAT NMS Plan to provide in the fee filing the following:

the budget for the upcoming year (or remainder of the year, as applicable), including a brief description of each line item in the budget, including (1) technology line items of cloud hosting services, operating fees, CAIS operating fees, change request fees and capitalized developed technology costs, (2) legal, (3) consulting, (4) insurance, (5) professional and administration, and (6) public relations costs, a reserve and/or such other categories as reasonably determined by the Operating Committee to be included in the budget, and the reason for changes in each such line item from the prior CAT fee filing.³³

Each of the costs described below are reasonable, appropriate and necessary for the creation, implementation and maintenance of CAT.

The following table breaks down the Budgeted CAT Costs 2025–2 into the categories set forth in Section 11.3(a)(iii)(B) of the CAT NMS Plan.³⁴ The Budgeted CAT Costs 2025–2 reflect the costs set forth in the third and fourth quarters of the Updated 2025 CAT Budget. The Budgeted CAT Costs 2025–2 are the costs used in calculating CAT Fee 2025–2.

Budget category	Budgeted CAT costs 2025–2 ^b (<i>i.e.</i> , costs for Q3–Q4 of 2025)
Capitalized Developed Technology Costs ^a	^c \$0
Technology Costs	108,551,142
Cloud Hosting Services	^d 82,222,276
Operating Fees	^e 15,453,942
CAIS Operating Fees	^f 10,374,924
Change Request Fees	^g 500,000
Legal	^h 3,631,342
Consulting	ⁱ 866,167
Insurance	^j 1,594,452
Professional and administration	^k 609,818
Public relations	^l 0
Subtotal	115,252,921
Reserve	^m (54,526,510)

²⁹ Section 11.3(a)(i)(B) of the CAT NMS Plan. In approving the CAT Funding Model, the Commission concluded that “the use of executed equivalent share volume as the basis of the proposed cost allocation methodology is reasonable and consistent with the approach taken by the funding principles of the CAT NMS Plan.” CAT Funding Model Approval Order at 62640.

³⁰ Section 11.3(a)(i)(C) of the CAT NMS Plan.

³¹ The Original 2025 CAT Budget is available on the CAT website ([https://www.catnmsplan.com/](https://www.catnmsplan.com/sites/default/files/2024-11/11.20.24-CAT-LLC-2025-Financial_and_Operating-Budget.pdf)

[sites/default/files/2024-11/11.20.24-CAT-LLC-2025-Financial_and_Operating-Budget.pdf](https://www.catnmsplan.com/sites/default/files/2024-11/11.20.24-CAT-LLC-2025-Financial_and_Operating-Budget.pdf)).

³² CAT budgets for periods prior to 2025 were prepared on the cash basis of accounting, as such budgets were primarily used to determine the dollar amount of promissory notes from the Participants that were required to fund the ongoing operations of the CAT. Commencing in 2025, with the contemplated recovery of costs from Industry Members and the Participants via CAT Fees, the Original 2025 CAT Budget was prepared on the

accrual basis of accounting to properly match projected revenues with estimated expenses incurred. A cash basis budget reflects expenditures when paid, while an accrual basis budget reflects expenditures when incurred. In moving from a cash basis budget to an accrual basis budget there is no double counting of expenses.

³³ Section 11.3(a)(iii)(B) of the CAT NMS Plan.

³⁴ Note that costs and related cost calculations provided in this filing may reflect minor variations from the budgeted costs due to rounding.

Budget category	Budgeted CAT costs 2025–2 ^b (i.e., costs for Q3–Q4 of 2025)
Total Budgeted CAT Costs 2025–2	60,726,412

^a The non-cash amortization of these capitalized developed technology costs to be incurred during the CAT Fee 2025–2 Period have been appropriately excluded from the above table.³⁵

^b Budgeted CAT Costs 2025–2 described in this table of costs were determined based an analysis of a variety of factors, including historical costs/invoices, estimated costs from respective vendors/service providers, contractual terms with vendors/service providers, anticipated service levels and needs, and discussions with vendors and Participants.

^c This cost number for capitalized developed technology costs is calculated by adding together the Capitalized Developed Technology Costs and the Software License Fee—2025, each for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: (\$0 + \$0) + (\$0 + \$0) = \$0.

^d This cost number for cloud hosting services is calculated by adding together the cloud hosting services costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$40,362,043 + \$41,860,233 = \$82,222,276.

^e This cost number for operating fees is calculated by adding together the operating fees and the Cyber Insurance Premium Adjustment, each for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: (\$7,225,473 + \$7,225,473) + (\$501,498 + \$501,498) = \$15,453,942.

^f This cost number for CAIS operating fees is calculated by adding together the CAIS operating fees for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$5,187,462 + \$5,187,462 = \$10,374,924.

^g This cost number for change request fees is calculated by adding together the placeholder for possible change requests for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$250,000 + \$250,000 = \$500,000.

^h This cost number for legal services is calculated by adding together the legal costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$1,815,671 + \$1,815,671 = \$3,631,342.

ⁱ This cost number for consulting services is calculated by adding together the consulting costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$433,084 + \$433,083 = \$866,167.

^j This cost number for insurance is calculated by adding together the insurance costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$1,594,452 + \$0 = \$1,594,452.

^k This cost number for professional and administration services is calculated by adding together the professional and administration costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$414,818 + \$195,000 = \$609,818.

^l This cost number for public relations is calculated by adding together the public relations costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$0 + \$0 = \$0.

^m This reduction in the reserve is calculated by adding together the 25% Incremental Liquidity Reserve Accrued during 2025 for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget: \$27,263,255 + \$27,263,255 = \$54,526,510.

To the extent that CAT LLC enters into notes with Participants or others to pay costs incurred during the period in which CAT Fee 2025–2 is in effect, CAT LLC will use the proceeds from CAT Fee 2025–2 and the related Participant CAT fees to repay such notes.

The following table compares the annual budgeted CAT costs as set forth

in the updated annual CAT budget for 2024 approved by the Operating Committee in July 2024 (“Updated 2024 CAT Budget”),³⁶ the Original 2025 CAT Budget and the Updated 2025 CAT Budget, and is provided for informational purposes. In each case, the costs provided reflect the costs for

the entire year for each of the budgets; this differs from the above chart which focuses on budgeted costs for only the third and fourth quarters of 2025, which, as noted, are the costs that are used in the calculation of the fee rate in this fee filing.

Budget category	Full year 2024 budgeted CAT costs from updated 2024 CAT budget ^a	Full year 2025 budgeted CAT costs from original 2025 CAT budget	Full year 2025 budgeted CAT costs from updated 2025 CAT budget
Capitalized Developed Technology Costs ^b	\$7,761,480	\$3,923,360	\$4,871,962
Technology Costs	196,921,118	234,925,808	211,548,471
Cloud Hosting Services	148,789,981	182,594,630	159,230,937
Operating Fees ^c	27,768,718	30,831,330	30,817,686
CAIS Operating Fees	20,199,919	20,749,848	20,749,848
Change Request Fees	162,500	750,000	750,000
Legal	8,146,599	5,720,000	7,370,002
Consulting	1,600,000	1,750,000	1,749,998
Insurance	1,342,345	1,594,452	1,594,452
Professional and administration	823,930	882,456	1,193,090
Public relations	93,275	50,000	6,575
Subtotal	216,688,747	248,846,076	228,334,551
Reserve	13,847,693	23,842,200	(13,858,958)
Total Budgeted CAT Costs	230,536,440	272,688,276	214,475,593

^a As noted above, the Updated 2024 CAT Budget was prepared on the cash basis of accounting, while the Original 2025 CAT Budget and the Updated 2025 CAT Budget were prepared on the accrual basis of accounting.

^b This cost number is calculated by adding together the Capitalized Developed Technology Costs and the Software License Fee for each budget.

^c This cost number is calculated by adding together the Operating fees and the Cyber Insurance Premium Adjustment for each budget.

³⁵ With respect to certain costs that were “appropriately excluded,” such excluded costs relate to the amortization of capitalized technology costs, which are amortized over the life of the Plan Processor Agreement. As such costs have already

been otherwise reflected in the filing, their inclusion would double count the capitalized technology costs. In addition, amortization is a non-cash expense.

³⁶ Consolidated Audit Trail, LLC 2024 Financial and Operating Budget—Mid-Year Update—July 2024 (https://www.catnmsplan.com/sites/default/files/2024-08/07.31.24-CAT-LLC-2024-Financial_and_Operating-Budget.pdf).

In addition, the following table compares the first quarter of the Original 2025 CAT Budget with the first quarter of the Updated 2025 CAT Budget. The Updated 2025 CAT Budget includes actual costs for January,

February and March 2025, whereas the Original 2025 CAT Budget included budgeted costs for these three months. The variance from the first quarter of the Original 2025 CAT Budget to the actuals for the first quarter of 2025 (as set forth

in the Updated 2025 CAT Budget) in the last column of the following chart are used in this filing in supporting the reasonableness of the estimates for each category of costs.

Budget category	First quarter of original 2025 CAT budget	Actuals for first quarter of 2025	Variance from first quarter of original 2025 CAT budget to actuals for first quarter of 2025
Capitalized Developed Technology Costs ^a	\$3,923,360	\$4,871,962	Increase by \$948,602. ^b
Technology Costs	52,490,273	49,181,253	
Cloud Hosting Services	39,640,542	36,357,017	Decrease by 3,283,525. ^c
Operating Fees ^d	7,662,270	7,636,774	Decrease by 25,496.
CAIS Operating Fees	5,187,462	5,187,462	No change.
Change Request Fees	0	0	No change.
Legal	1,430,000	1,922,990	Increase by 492,990. ^e
Consulting	437,500	450,745	Increase by 13,245.
Insurance	0	0	No change.
Professional and administration	168,750	297,513	Increase by 128,763.
Public relations	12,500	6,575	Decrease by 5,925.
Total	58,462,385	56,731,038	Decrease by 1,731,347.

^a This cost number is calculated by adding together the capitalized developed technology costs and the software license fee for each budget.

^b The variance is the result of costs related to the software license fee for CAIS in accordance with the Plan Processor Agreement with FCAT.

^c The variance is attributable to, among other things, (1) a decrease in costs related to changes made pursuant to an amendment to the CAT NMS Plan to implement cost savings measures³⁷ ("Cost Savings Amendment"), and (2) cost decreases related to optimizations resulting in reduced processing [sic] and storage costs.

^d This cost number is calculated by adding together the operating fees and the cyber insurance premium adjustment for each budget.

^e The variance is attributable to unanticipated issues that required additional legal efforts on behalf of CAT LLC that developed after the budget was created.

(i) Technology Costs—Cloud Hosting Services

(a) Description of Cloud Hosting Services Costs

Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the cloud hosting services costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$82,222,276 in technology costs for cloud hosting services for the CAT Fee 2025–2 Period. The technology costs for cloud hosting services represent costs reasonably budgeted to be incurred for services provided by the cloud services provider for the CAT, Amazon Web Services, Inc. ("AWS") during the CAT Fee 2025–2 Period.

In the agreement between CAT LLC and the Plan Processor for the CAT ("Plan Processor Agreement"), FINRA CAT, LLC ("FCAT"), AWS was named as the subcontractor to provide cloud hosting services. Under the Plan Processor Agreement, CAT LLC is required to pay FCAT the fees incurred by the Plan Processor for cloud hosting services provided by AWS as FCAT's subcontractor on a monthly basis for the

cloud hosting services, and FCAT, in turn, pays such fees to AWS. The fees for cloud hosting services were negotiated by FCAT on an arm's length basis with the goals of managing costs and receiving services required to comply with the CAT NMS Plan and Rule 613, taking into consideration a variety of factors, including the expected volume of data, the breadth of services provided and market rates for similar services. Services provided by AWS include storage services, databases, compute services and other services (such as networking, management tools and DevOps tools), as well as various environments for CAT, such as development, performance testing, test, and production environments. FCAT utilizes such cloud hosting services for a broad array of services for the CAT, such as data ingestion, data management, and analytic tools for the CAT. AWS performs cloud hosting services for both the CAT transaction database as well as the CAT Customer and Account Information System ("CAIS"). It is anticipated that such cloud hosting services will continue during the CAT Fee 2025–2 Period.

The cost for AWS cloud services for the CAT is a function of the volume of CAT Data, largely as a result of the processing and storage of the CAT

Data.³⁸ The greater the amount of CAT Data, the greater the cost of AWS services to CAT LLC. During the CAT Fee 2025–2 Period, it is expected that AWS will provide cloud hosting services for volumes of CAT Data far in excess of the volume predictions set forth in the CAT NMS Plan. The CAT NMS Plan states, when all CAT Reporters are submitting their data to the CAT, it "must be sized to receive[,] process and load more than 58 billion records per day,"³⁹ and that "[i]t is expected that the Central Repository will grow to more than 29 petabytes of raw, uncompressed data."⁴⁰ In contrast with those estimates, the Q1 2025 data volumes averaged 752 billion events per day. The Q1 2025 data volumes reflected a 30% year over year growth rate compared to Q1 2024, which averaged 577 billion events per day, and reflected a 25% increase from the prior quarter Q4 2024, which averaged 602 billion events per day. The highest peak data volume to date of 1.45 trillion events was recorded on April 7, 2025.

³⁸ In addition to the effect of the data volume on the cloud hosting costs, the processing timelines set forth in the Plan contribute to the cloud hosting costs. For further discussion of the effect of processing timelines on cloud hosting costs, see Section 3(b)(2)(A)(i) below.

³⁹ Appendix D–4 of the CAT NMS Plan at n.262.

⁴⁰ Appendix D–5 of the CAT NMS Plan.

³⁷ Securities Exchange Act Rel. No. 101901 (Dec. 12, 2024), 89 FR 103033 (Dec. 18, 2024) ("Cost Savings Amendment").

The top five peak days were recorded in April 2025.

CAT LLC estimates that the budget for cloud hosting services costs during the CAT Fee 2025–2 Period will be approximately \$82,222,276. The budget for cloud hosting services costs during the CAT Fee 2025–2 Period is calculated based on the Updated 2025 CAT Budget. Specifically, this estimate was calculated by adding the budgeted amounts for cloud hosting services costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁴¹

CAT LLC estimated the budget for the cost for cloud hosting services for the CAT Fee 2025–2 Period based on an assumption of 40% annual year-over-year volume growth for the transaction database and an assumption of 5% annual year-over-year volume growth for CAIS. CAT LLC determined these growth assumptions in coordination with FCAT based on an analysis of a variety of existing data and alternative growth scenarios. In particular, in determining to use the 40% annual year-over-year volume growth in events per day, CAT LLC considered, among other things, the average annual year-over-year volume growth for 2019 through 2024 of approximately 45%, the average annual year-over-year volume growth for 2020 through 2024 of approximately 30%, and the average monthly growth rate for 2024 of approximately 50%.⁴²

This process for estimating the budget for cloud hosting services costs for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the cloud hosting services costs for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget for cloud hosting services of \$39,640,542 for the first quarter of 2025. The actual costs for cloud hosting services for the first quarter of 2025, which are set forth in the Updated 2025 CAT Budget, were \$36,357,017. Therefore, the variance between budgeted and actual cloud hosting services costs for this period was an approximate decrease of 8%. Accordingly, CAT LLC believes that the process for estimating the budgeted

cloud hosting services costs for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for cloud hosting services costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the cloud hosting services costs from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁴³ Specifically, the following describes the differences (if any) in the costs for cloud hosting services as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budgeted costs for cloud hosting services as set forth in the Original 2025 CAT Budget were \$182,594,630, and the annual 2025 budgeted costs for cloud hosting services as set forth in the Updated 2025 CAT Budget are \$159,230,937. Accordingly, budgeted annual costs for cloud hosting services decreased by \$23,363,693 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget, which is an approximate 13% reduction in cloud hosting services costs for the full year of 2025.

Correspondingly, the budgeted costs for cloud hosting services for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$97,748,713,⁴⁴ and the budgeted costs for cloud hosting services for third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$82,222,276.⁴⁵ Accordingly, the budgeted costs for cloud hosting services for the third and fourth quarters of 2025 decreased by \$15,526,437 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget, which is approximately a 16% reduction in cloud hosting services costs for the third and fourth quarters of 2025.

The decrease in costs for cloud hosting services from the Original 2025 CAT Budget to the Updated 2025 CAT Budget, both for the full year for 2025 and for the third and fourth quarters of 2025, reflects (1) a decrease in costs related to changes made pursuant to the Cost Savings Amendment; (2) cost decreases related to optimizations

resulting in reduced processing [*sic*] and storage costs; and (3) volume increases below the initial projection.

(ii) Technology Costs—Operating Fees

(a) Description of Operating Fees

Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the operating fees set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$15,453,942 in technology costs for operating fees for the CAT Fee 2025–2 Period. Operating fees are those fees paid by CAT LLC to FCAT as the Plan Processor to operate and maintain the CAT and to perform business operations related to the system, including compliance, security, testing, training, communications with the industry (*e.g.*, management of the FINRA CAT Helpdesk, FAQs, website and webinars) and program management as required by the CAT NMS Plan. Operating fees also include market data provider costs, as discussed below.

Plan Processor: FCAT. Under the Plan Processor Agreement with FCAT, CAT LLC is required to pay FCAT a negotiated monthly fixed price for the operation of the CAT. This fixed price contract was negotiated on an arm's length basis with the goals of managing costs and receiving services required to comply with the CAT NMS Plan and Rule 613, taking into consideration a variety of factors, including the breadth of services provided and market rates for similar types of activity. It is anticipated that FCAT will provide a variety of services to the CAT during the CAT Fee 2025–2 Period, including the following:

- Provide the CAT-related functions and services as the Plan Processor as required by SEC Rule 613 and the CAT NMS Plan in connection with the operation and maintenance of the CAT;
- Address compliance items, including drafting CAT policies and procedures, and addressing Regulation SCI requirements;
- Provide support to the Operating Committee, the Compliance Subcommittee and CAT working groups;
- Assist with interpretive efforts, exemptive requests and amendments regarding the CAT NMS Plan;
- Oversee the security of the CAT;
- Monitor the operation of the CAT, including with regard to Participant and Industry Member reporting;
- Provide support to subcontractors under the Plan Processor Agreement;

⁴¹ This calculation is \$40,362,043 + \$41,860,233 = \$82,222,276.

⁴² Note that these growth rates are based on events processed and stored in the CAT. Executed transactions are a small subset of such events. As a result, the number of transactions in the CAT, and, hence, the number of executed equivalent shares, is not directly correlated with the number of events processed in the CAT or the costs of cloud hosting services for the CAT. Accordingly, the number of executed equivalent shares may stay relatively constant from year to year while the number of events processed and stored in the CAT may grow significantly.

⁴³ Fee Filing for CAT Fee 2025–1.

⁴⁴ This calculation is \$46,382,724 + \$51,365,989 = \$97,748,713.

⁴⁵ This calculation is \$40,362,043 + \$41,860,233 = \$82,222,276.

- Provide support in discussions with the Participants and the SEC and its staff;

- Operate the FINRA CAT Helpdesk;
- Facilitate communications with the industry, including via FAQs, CAT Alerts, meetings, presentations and webinars;

- Administer the CAT website and all of its content;

- Maintain cyber security insurance related to the CAT;

- Assist with billing, collection and other CAT fee-related activity; and

- Provide technical support and assistance with connectivity, data access, and user support, including the use of CAT Data and query tools, for Participants and the SEC staff.

CAT LLC calculated the budget for the FCAT technology costs for operating fees for the CAT Fee 2025–2 Period based on the recurring monthly operating fees under the Plan Processor Agreement.

Market Data Provider: Algoseek. It is anticipated that the operating fees costs for the CAT Fee 2025–2 Period will include costs related to the receipt of certain market data for the CAT pursuant to an agreement between FCAT and Algoseek, LLC (“Algoseek”). CAT LLC determined that Algoseek would provide market data that included data elements set forth in Section 6.5(a)(ii) of the CAT NMS Plan, and that the fees were reasonable and in line with market rates for the market data received. All costs under the contract would be treated as a direct pass through cost to CAT LLC. CAT LLC estimated the budget for the costs for Algoseek for the CAT Fee 2025–2 Period based on the monthly rate set forth in the agreement between Algoseek and FCAT.

Operating Fee Estimates. CAT LLC estimates that the budget for operating fees during the CAT Fee 2025–2 Period will be approximately \$15,453,942. The budget for operating fees during the CAT Fee 2025–2 Period is calculated based on the Updated 2025 CAT Budget. Specifically, this estimate was calculated by adding the budgeted amounts for operating fees for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁴⁶

As discussed above, CAT LLC estimated the budget for the operating fees during the CAT Fee 2025–2 Period based on monthly rates set forth in the Plan Processor Agreement and the agreement with Algoseek. CAT LLC also recognized that the operating fees are generally consistent throughout the

year. This process for estimating the budget for the operating fees for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the operating fees for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget for operating fees of \$7,662,270 for the first quarter of 2025.⁴⁷ The actual costs for operating fees for first quarter of 2025 were \$7,636,774.⁴⁸ Therefore, the variance between budgeted and actual operating fees for this period was not material. Accordingly, CAT LLC believes that the process for estimating the budgeted operating fees for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for operating fees from the prior CAT Fee filing. Accordingly, this filing describes the changes from the operating fees set forth in the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁴⁹ Specifically, the following describes the differences (if any) in the costs for operating fees as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budgeted costs for operating fees as set forth in the Original 2025 CAT Budget were \$30,831,330,⁵⁰ and the annual 2025 budgeted costs for operating fees as set forth in the Updated 2025 CAT Budget are \$30,817,686.⁵¹ Accordingly, budgeted annual costs for operating fees did not change materially from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the full year of 2025.

Correspondingly, the budgeted costs for operating fees for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$15,446,040,⁵² and the budgeted costs for operating fees for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$15,453,942.⁵³ Accordingly, the

budgeted costs for operating fees for the third and fourth quarters of 2025 did not change materially from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the third and fourth quarters of 2025.

(iii) Technology Costs—CAIS Operating Fees

(a) Description of CAIS Operating Fees

Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the CAIS operating fees set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$10,374,924 in technology costs for CAIS operating fees for the CAT Fee 2025–2 Period. CAIS operating fees represent the fees paid to FCAT for services provided with regard to the operation and maintenance of CAIS, and to perform the business operations related to the system, including compliance, security, testing, training, communications with the industry (e.g., management of the FINRA CAT Helpdesk, FAQs, website and webinars) and program management. The CAT is required under the CAT NMS Plan to capture and store Customer Identifying Information and Customer Account Information in a database separate from the transactional database and to create a CAT-Customer-ID for each Customer. As of May 31, 2024, the implementation of CAIS was completed.⁵⁴

During the CAT Fee 2025–2 Period, it is anticipated that FCAT will provide CAIS-related services. Under the Plan Processor Agreement with FCAT, CAT LLC is required to pay FCAT for CAIS-related services provided by FCAT on a monthly basis. CAT LLC negotiated the fees for FCAT’s CAIS-related services on an arm’s length basis with the goals of managing costs and receiving services required to comply with the CAT NMS Plan, taking into consideration a variety of factors, including the services to be provided and market rates for similar types of activity. During the CAT Fee 2025–2 Period, it is anticipated that FCAT will continue to provide services relating to the ongoing operation, maintenance and support of CAIS.

CAT LLC estimates that the budget for CAIS operating fees during the CAT Fee 2025–2 Period will be approximately \$10,374,924. The budget for CAIS operating fees during the CAT Fee 2025–2 Period is calculated based on the Updated 2025 CAT Budget. Specifically, this estimate was

⁴⁷ This calculation is \$7,221,522 + \$440,748 = \$7,662,270.

⁴⁸ This calculation is \$7,196,026 + \$440,748 = \$7,636,774.

⁴⁹ See Fee Filing for CAT Fee 2025–1.

⁵⁰ This calculation is \$28,886,088 + \$1,945,242 = \$30,831,330.

⁵¹ This calculation is \$28,872,444 + \$1,945,242 = \$30,817,686.

⁵² This calculation is (\$7,221,522 + \$7,221,522) + (\$501,498 + \$501,498) = \$15,446,040.

⁵³ This calculation is (\$7,225,473 + \$7,225,473) + (\$501,498 + \$501,498) = \$15,453,942.

⁵⁴ For a discussion of the implementation timeline for CAIS, see CAT Alert 2023–01.

⁴⁶ This calculation is (\$7,225,473 + \$7,225,473) + (\$501,498 + \$501,498) = \$15,453,942.

calculated by adding the budgeted amounts for CAIS operating fees for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁵⁵

CAT LLC calculated the budget for FCAT's CAIS-related services for the CAT Fee 2025–2 Period based on the recurring monthly CAIS operating fees under the Plan Processor Agreement. This process for estimating the budget for the CAIS operating fees for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the CAIS operating fees for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget of \$5,187,462 for CAIS operating fees for the first quarter of 2025. The actual costs for CAIS operating fees for the first quarter of 2025, which are set forth in the Updated 2025 CAT Budget, were \$5,187,462. There was no variance between budgeted and actual CAIS operating fees for the first quarter of 2025. Accordingly, CAT LLC believes that the process for estimating the budgeted CAIS operating fees for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for CAIS operating fees from the prior CAT Fee filing. Accordingly, this filing describes the changes in CAIS operating fees from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁵⁶ Specifically, the following describes the differences (if any) in the costs for CAIS operating fees as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

CAIS operating fees are based on a recurring monthly rate payable to FCAT and are unchanged from the prior CAT Fee filing. The annual 2025 budgeted costs for CAIS operating fees as set forth in the Original 2025 CAT Budget were \$20,749,848, and the annual 2025 budgeted costs for CAIS operating fees as set forth in the Updated 2025 CAT Budget are \$20,749,848. Accordingly, the budgeted annual costs for CAIS operating fees are the same for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

Correspondingly, the budgeted costs for CAIS operating fees for the third and

fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$10,374,924, and the budgeted costs for CAIS operating fees for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$10,374,924.⁵⁷ Accordingly, the budget costs for CAIS operating fees for the third and fourth quarters of 2025 are the same for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

Accordingly, there were no changes in the line item for CAIS operating fees from the prior CAT Fee filing.

(iv) Technology Costs—Change Request Fees

(a) Description of Change Request Fees

Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the change request fees set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$500,000 in technology costs for change request fees for the CAT Fee 2025–2 Period. The technology costs related to change request fees include costs related to certain modifications, upgrades or other changes to the CAT.

Change requests are standard practice and necessary to reflect operational changes, including changes related to new market developments, such as new market participants. In general, if CAT LLC determines that a modification, upgrade or other changes to the functionality or service is necessary and appropriate, CAT LLC will submit a request for such a change to the Plan Processor. The Plan Processor will then respond to the request with a proposal for implementing the change, including the cost (if any) of such a change. CAT LLC then determines whether to approve the proposed change.

The change request budget line is established to include expected costs to be incurred in which the nature of the costs (*i.e.*, capitalization versus expensing) have not yet been determined. Upon the incurrence of such costs, the final determination of capitalization versus expensing is determined and then such costs are reclassified from the change request line to the appropriate technology cost line item.

During the CAT Fee 2025–2 Period, it is anticipated that CAT LLC will engage FCAT to pursue certain change requests in accordance with the Plan Processor

Agreement. The budget for change requests for the CAT Fee 2025–2 Period includes a placeholder of \$500,000 for potential change request fees that may be necessary in accordance with the Plan Processor Agreement. The placeholder amount was determined based on prior experience with change requests related to the CAT.

CAT LLC estimates that the budget for change requests during the CAT Fee 2025–2 Period will be approximately \$500,000. The budget for change requests during the CAT Fee 2025–2 Period is calculated based on the Updated 2025 CAT Budget. Specifically, this estimate was calculated by adding the budgeted amounts for the change requests for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁵⁸

CAT LLC estimated the budget for the potential change requests for the CAT Fee 2025–2 Period based on, among other things, a review of past change requests and potential future change request needs, as well as discussions with FCAT. This process for estimating the budget for the change requests for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the change requests cost for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a change request budget of \$0 for the the [*sic*] first quarter of 2025. The actual costs for change requests for the first quarter of 2025, which are set forth in the Updated 2025 CAT Budget, were \$0. There was no variance between budgeted and actual change request costs for the first quarter of 2025. Accordingly, CAT LLC believes that the process for estimating the budgeted change request costs for 2025 is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for change request fees from the prior CAT Fee filing. Accordingly, this filing describes the changes in the change request fees from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁵⁹ Specifically, the following describes the differences (if any) in the costs for change requests as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well

⁵⁵ This calculation is \$5,187,462 + \$5,187,462 = \$10,374,924.

⁵⁶ See Fee Filing for CAT Fee 2025–1.

⁵⁷ This calculation is \$5,187,462 + \$5,187,462 = \$10,374,924, for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

⁵⁸ This calculation is \$250,000 + \$250,000 = \$500,000.

⁵⁹ See Fee Filing for CAT Fee 2025–1.

as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budgeted costs for change requests as set forth in the Original 2025 CAT Budget were \$750,000, and the annual 2025 budgeted costs for change requests as set forth in the Updated 2025 CAT Budget are \$750,000. Accordingly, budgeted annual costs for change requests are the same for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

Correspondingly, the budgeted costs for change requests for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$500,000, and the budgeted costs for change request for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$500,000.⁶⁰ Accordingly, the budgeted costs for change requests for the third and fourth quarters of 2025 are the same for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

Accordingly, there were no changes in the line item for change requests from the prior CAT Fee filing.

(v) Technology Costs—Capitalized Developed Technology Costs

(a) Description of Capitalized Developed Technology Costs

Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the capitalized developed technology costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that includes \$0 in technology costs for capitalized developed technology costs for the CAT Fee 2025–2 Period. This category of costs includes the budget for capitalizable application development costs incurred in the development of the CAT. It is anticipated that such costs will include certain costs related to the software license fee for CAIS in accordance with the Plan Processor Agreement with FCAT, as well as costs related to a set of technology changes to be implemented by FCAT.

CAT LLC estimates that the budget for capitalized developed technology costs during the CAT Fee 2025–2 Period will be approximately \$0. The budget for capitalized developed technology costs during the CAT Fee 2025–2 Period is calculated based on the Updated 2025 CAT Budget. Specifically, this estimate was calculated by adding the budgeted amounts for capitalized developed technology costs for the third and fourth

quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁶¹

CAT LLC estimated the budget for capitalized developed technology costs for the CAT Fee 2025–2 Period based on an analysis of a variety of factors, including information related to potential technology costs and related contractual and Plan requirements, and discussions with FCAT regarding such potential technology costs. This process for estimating the budget for capitalized developed technology costs for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the capitalized developed technology costs for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget for capitalized developed technology costs of \$3,923,360 for the first quarter of 2025.⁶² The actual costs for capitalized developed technology costs for the first quarter of 2025 were \$4,871,962.⁶³ The budgeted costs and the actual costs for the line item of capitalized developed technology costs for the first quarter of 2025 were the same: \$1,150,000. As a result, this variance is attributable to software license fees, which is the the [sic] other line item included in the capitalized developed technology costs for Budgeted CAT Fees 2025–2. The variance of \$948,602 is the result of costs related to the software license fee for CAIS in accordance with the Plan Processor Agreement with FCAT. Accordingly, CAT LLC believes that the process for estimating the budgeted capitalized developed technology costs for the CAT Fee 2025–2 Period is reasonable.

(b) Changes from Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for capitalized developed technology costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the capitalized developed technology costs from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁶⁴ Specifically, the following describes the differences (if any) in the costs for capitalized developed technology costs as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third

and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budget for capitalized developed technology costs as set forth in the Original 2025 CAT Budget were \$3,923,360⁶⁵, and the annual 2025 budget for capitalized developed technology costs as set forth in the Updated 2025 CAT Budget are \$4,871,962.⁶⁶ Accordingly, the annual budget for capitalized developed technology costs increased by \$948,602 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the full year of 2025. This increase in the annual budget for capitalized developed technology costs was the result of costs related to the software license fee for CAIS in accordance with the Plan Processor Agreement with FCAT.

In addition, the budget for capitalized developed technology costs for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget was \$0,⁶⁷ and the budgeted capitalized developed technology costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget was \$0.⁶⁸ Accordingly, the budgeted capitalized developed technology costs for the third and fourth quarters of 2025 was the same for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget for the third and fourth quarters of 2025.

(vi) Legal Costs

(a) Description of Legal Costs

Section 11.3(a)(iii)(B)(B)(2) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the legal costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that includes \$3,631,342 in legal costs for the CAT Fee 2025–2 Period. This category of costs represents budgeted costs for legal services for this period. CAT LLC anticipates that it will receive legal services from two law firms, Wilmer Cutler Pickering Hale and Dorr LLP (“WilmerHale”) and Jenner & Block LLP (“Jenner”), during the CAT Fee 2025–2 Period.

Law Firm: WilmerHale. It is anticipated that legal costs during the CAT Fee 2025–2 Period will include costs related to the legal services performed by WilmerHale. CAT LLC anticipates that it will continue to employ WilmerHale during the CAT Fee

⁶¹ This calculation is $(\$0 + \$0) + (\$0 + \$0) = \$0$.

⁶² This calculation is $\$1,150,000 + \$2,773,360 = \$3,923,360$.

⁶³ This calculation is $\$1,150,000 + \$3,721,962 = \$4,871,962$.

⁶⁴ See Fee Filing for CAT Fee 2025–1.

⁶⁵ This calculation is $\$1,150,000 + \$2,773,360 = \$3,923,360$.

⁶⁶ This calculation is $\$1,150,000 + \$3,721,962 = \$4,871,962$.

⁶⁷ This calculation is $(\$0 + \$0) + (\$0 + \$0) = \$0$.

⁶⁸ This calculation is $(\$0 + \$0) + (\$0 + \$0) = \$0$.

⁶⁰ This calculation is $\$250,000 + \$250,000 = \$500,000$, for both the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

2025–2 Period based on, among other things, their expertise, long history with the project and recognition that the hourly fee rates for this law firm are anticipated to be in line with market rates for specialized legal expertise. WilmerHale's billing rates are negotiated on an annual basis and are determined with reference to the rates charged by other leading law firms for similar work. The Participants assess WilmerHale's performance and review prospective budgets and staffing plans submitted by WilmerHale on an annual basis. The legal fees will be paid by CAT LLC to WilmerHale.

During the CAT Fee 2025–2 Period, it is anticipated that WilmerHale will provide legal services related to the following:

- Assist with CAT fee filings and related funding issues;
- Draft exemptive requests from CAT NMS Plan requirements and/or proposed amendments to the CAT NMS Plan;
- Provide legal guidance with respect to interpretations of CAT NMS Plan requirements;
- Provide legal support for the Operating Committee, Compliance Subcommittee, working groups and Leadership Team;
- Draft SRO rule filings related to the CAT Compliance Rule;
- Manage corporate governance matters, including supporting Operating Committee meetings and preparing resolutions and consents;
- Assist with communications with the industry, including CAT Alerts and presentations;
- Provide guidance regarding the confidentiality of CAT Data;
- Assist with cost management analyses and proposals;
- Assist with commercial contract-related matters, including change orders and amendments, Plan Processor Agreement items, and subcontract matters;
- Provide support with regard to discussions with the SEC and its staff, including with respect to addressing interpretive and implementation issues;
- Provide legal guidance with respect to the CAT budgets;
- Provide background assistance to other counsel for CAT matters;
- Assist with legal responses related to third-party data requests; and
- Provide legal support regarding CAT policies and procedures.

CAT LLC estimated the budget for the legal costs for WilmerHale for the CAT Fee 2025–2 Period through an analysis of a variety of factors, including WilmerHale fee rates, historical legal fees, and information related to pending

legal issues and potential future legal issues.

Law Firm: Jenner. It is anticipated that legal costs during the CAT Fee 2025–2 Period will include costs related to the legal services performed by Jenner. CAT LLC anticipates that it will continue to employ Jenner during the CAT Fee 2025–2 Period based on among other things, their expertise, history with the project and recognition that their hourly fee rates are in line with market rates for specialized legal expertise. The legal fees will be paid by CAT LLC to Jenner.

During the CAT Fee 2025–2 Period, it is anticipated that Jenner will continue to provide legal assistance to CAT LLC regarding certain litigation matters, including: (1) CAT LLC's defense against a lawsuit filed in the Western District of Texas against the SEC Chair, the SEC and CAT LLC challenging the validity of Rule 613 and the CAT and alleging various constitutional, statutory, and common law claims;⁶⁹ (2) CAT LLC's intervention in a lawsuit in the Eleventh Circuit filed by various parties against the SEC challenging the SEC's approval of the CAT Funding Model;⁷⁰ and (3) a lawsuit in the Eleventh Circuit filed by Citadel Securities LLC seeking review of the SEC's May 20, 2024 order⁷¹ granting the Participants temporary conditional exemptive relief related to the reporting of bids and/or offers made in response to a request for quote or other form of solicitation response provided in standard electronic format that is not immediately actionable.⁷² Litigation involving CAT LLC is an expense of operating the CAT, and, therefore, is appropriately an obligation of both Participants and Industry Members under the CAT Funding Model.

CAT LLC estimated the budget for the legal costs for Jenner for the CAT Fee 2025–2 Period through an analysis of a variety of factors, including Jenner's fee rates, historical legal fees, and information related to pending legal issues and potential future legal issues.

Legal Cost Estimates. CAT LLC estimates that the budget for legal services during the CAT Fee 2025–2 Period will be approximately \$3,631,342. The budget for legal services during the CAT Fee 2025–2 Period is calculated based on the Updated 2025

⁶⁹ *Davidson v. Gensler*, Case No. 6:24–cv–197 (W.D. Tex.).

⁷⁰ *American Securities Ass'n v. Securities and Exchange Commission*, Case No. 23–13396 (11th Cir.).

⁷¹ Securities Exchange Act Rel. No. 100181 (May 20, 2024), 89 FR 45715 (May 23, 2024).

⁷² *Citadel Securities LLC v. United States Securities and Exchange Commission*, Case No. 24–12300 (11th Cir.).

CAT Budget. Specifically, this estimate was calculated by adding the budgeted amounts for the legal services for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁷³

CAT LLC estimated the budget for the legal services for the CAT Fee 2025–2 Period based on an analysis of a variety of factors, including law firm fee rates, historical legal fees, and information related to pending legal issues and potential future legal issues. This process for estimating the budget for the legal services for CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the legal cost for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget for legal costs of \$1,430,000 for the first quarter of 2025. The actual costs for legal services for the first quarter of 2025, which are set forth in the Updated 2025 Budget, were \$1,922,990. The increase of \$492,990 was due to unanticipated issues that required additional legal efforts on behalf of CAT LLC that developed after the budget was created. Such additional costs were primarily due to additional legal work in responding to an SEC examination related to the CAT, for commercial contract-related matters, including with regard to the Plan Processor Agreement, and related to cost savings initiatives. Accordingly, CAT LLC believes that the process for estimating the budgeted legal costs for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for legal costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the legal costs from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁷⁴ Specifically, the following describes the differences (if any) in the legal costs as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budgeted legal costs as set forth in the Original 2025 CAT Budget were \$5,720,000, and the annual 2025 budgeted legal costs as set forth in the Updated 2025 CAT Budget are \$7,370,002. Accordingly, the annual budget for legal costs increased by

⁷³ This calculation is \$1,815,671 + \$1,815,671 = \$3,631,342.

⁷⁴ See Fee Filing for CAT Fee 2025–1.

\$1,650,002 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the full year of 2025.

Correspondingly, the budgeted legal costs for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$2,860,000,⁷⁵ and the budgeted legal costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$3,631,342.⁷⁶ Accordingly, the budget for legal costs for the third and fourth quarters of 2025 increased by \$771,342 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the third and fourth quarters of 2025.

This budgeted increase in the legal costs in the Updated 2025 CAT Budget from the Original 2025 Budget, both for the full year for 2025 and for the third and fourth quarters of 2025, was primarily due to an anticipated increase in legal costs related to litigation matters as well as regulatory and corporate legal matters.

(vii) Consulting Costs

(a) Description of Consulting Costs

Section 11.3(a)(iii)(B)(B)(3) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the consulting costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$866,167 in consulting costs for the CAT Fee 2025–2 Period. The consulting costs represent the fees estimated to be paid to the consulting firm Deloitte & Touche LLP (“Deloitte”) as project manager during the CAT Fee 2025–2 Period. These consulting costs include costs for advisory services related to the operation of the CAT, and meeting facilitation and communications coordination, vendor support and financial analyses.

It is anticipated that the costs for CAT during the CAT Fee 2025–2 Period will include costs related to consulting services performed by Deloitte. CAT LLC anticipates that it will continue to employ Deloitte during the CAT Fee 2025–2 Period based on, among other things, their expertise, long history with the project, and the recognition that it is anticipated that the consulting fees will remain in line with market rates for this type of specialized consulting work. Deloitte’s fee rates are negotiated on an annual basis. CAT LLC assesses Deloitte’s performance and reviews prospective budgets and staffing plans

submitted by Deloitte on an annual basis. The consulting fees will be paid by CAT LLC to Deloitte.

It is anticipated that Deloitte will provide a variety of consulting services to the CAT during the CAT Fee 2025–2 Period, including the following:

- Implement program operations for the CAT project;
- Provide support to the Operating Committee, the Chair of the Operating Committee and the Leadership Team, including project management support, coordination and planning for meetings and communications, and interfacing with law firms and the SEC;
- Assist with cost and funding matters for the CAT, including assistance with loans and the CAT bank account for CAT funding;
- Provide support for updating the SEC on the progress of the development of the CAT; and
- Provide support for third party vendors for the CAT, including FCAT, Anchin and the law firms engaged by CAT LLC.

In addition, the consulting costs include the compensation for the Chair of the CAT Operating Committee.

CAT LLC estimates that the budget for consulting costs during the CAT Fee 2025–2 Period will be approximately \$866,167. The budget for consulting costs during the CAT Fee 2025–2 Period is calculated based on the Updated 2025 CAT Budget. Specifically, this estimate was calculated by adding the budgeted amounts for consulting services for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget.⁷⁷

CAT LLC estimates the budget for the consulting costs for Deloitte for the CAT Fee 2025–2 Period based on the current statement of work with Deloitte, which took into consideration past consulting costs, potential future consulting needs, the proposed rates and other contractual issues, as well as discussions with Deloitte. This process for estimating the budget for consulting costs for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the consulting costs for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget for consulting services of \$437,500 for the first quarter of 2025. The actual costs for consulting services for the first quarter of 2025, which are set forth in the Updated 2025 CAT Budget, were \$450,745. Therefore, the variance between budgeted and actual consulting costs for the first quarter of 2025 was approximately 3%. Accordingly, CAT

LLC believes that the process for estimating the budgeted consulting costs for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for consulting costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the consulting costs from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁷⁸ Specifically, the following describes the differences (if any) in the consulting costs as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budget for consulting costs as set forth in the Original 2025 CAT Budget was \$1,750,000, and the annual 2025 budget for consulting costs as set forth in the Updated 2025 CAT Budget is approximately \$1,750,000. Accordingly, the annual budget for consulting costs has not changed from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the full year of 2025.

Correspondingly, the budget for consulting costs for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget was \$875,000,⁷⁹ and the budget for consulting costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget is \$866,167.⁸⁰ Accordingly, the budget for consulting costs for the third and fourth quarters of 2025 decreased by \$8,833 (which is approximately 1%), from the Original 2025 CAT Budget to the Updated 2025 CAT Budget. Therefore, the budget for consulting costs for the third and fourth quarters of 2025 remained nearly the same in the Original 2025 CAT Budget and the Updated 2025 CAT Budget.

(viii) Insurance Costs

(a) Description of Insurance Costs

Section 11.3(a)(iii)(B)(B)(4) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the insurance costs set forth in the budget. The Operating Committee approved an operating

⁷⁸ See Fee Filing for CAT Fee 2025–1.

⁷⁹ This calculation is \$437,500 + \$437,500 = \$875,000.

⁸⁰ This calculation is \$433,084 + \$433,083 = \$866,167.

⁷⁵ This calculation is \$1,430,000 + \$1,430,000 = \$2,860,000.

⁷⁶ This calculation is \$1,815,671 + \$1,815,671 = \$3,631,342.

⁷⁷ This calculation is \$433,084 + \$433,083 = \$866,167.

budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$1,594,452 in insurance costs for the CAT Fee 2025–2 Period. The insurance costs represent the costs to be incurred for insurance for CAT during the CAT Fee 2025–2 Period.

It is anticipated that the insurance costs for CAT during the CAT Fee 2025–2 Period will include costs related to cyber security liability insurance, directors' and officers' liability insurance, and errors and omissions liability insurance brokered by USI Insurance Services LLC ("USI"). Such policies are standard for corporate entities, and cyber security liability insurance is important for the CAT System. CAT LLC anticipates that it will continue to maintain this insurance during the CAT Fee 2025–2 Period, and notes that the annual premiums for these policies were competitive for the coverage provided. CAT LLC estimated the budget for the insurance costs for the CAT Fee 2025–2 Period based on the insurance estimate from USI for 2025. The annual premiums would be paid by CAT LLC to USI.⁸¹

The budgeted insurance costs for the CAT Fee 2025–2 Period are based on an insurance cost estimate from USI for 2025. Accordingly, CAT LLC believes that the process for estimating the budgeted insurance costs for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for insurance costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the insurance costs from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁸² Specifically, the following describes the differences (if any) in insurance costs as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budgeted insurance costs as set forth in the Original 2025 CAT Budget were \$1,594,452, and the annual 2025 budgeted insurance costs as set forth in the Updated 2025 CAT Budget are \$1,594,452. Accordingly, the annual budgeted insurance costs remained the same for the Original 2025

CAT Budget and the Updated 2025 CAT Budget for the full year of 2025.

Correspondingly, the budgeted insurance costs for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$1,594,452,⁸³ and the budgeted insurance costs for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$1,594,452.⁸⁴ Accordingly, the budgeted insurance costs for the third and fourth quarters of 2025 remained the same in the Original 2025 CAT Budget and the Updated 2025 CAT Budget for the third and fourth quarters of 2025.

(ix) Professional and Administration Costs

(a) Description of Professional and Administration Costs

Section 11.3(a)(iii)(B)(B)(5) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the professional and administration costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$609,818 in professional and administration costs for the CAT Fee 2025–2 Period. In adopting the CAT NMS Plan, the Commission amended the Plan to add a requirement that CAT LLC's financial statements be prepared in compliance with GAAP, audited by an independent public accounting firm, and made publicly available.⁸⁵ The professional and administration costs would include costs related to accounting and accounting advisory services to support the operating and financial functions of CAT, financial statement audit services by an independent accounting firm, preparation of tax returns, and various cash management and treasury functions. The professional and administration costs represent the fees to be paid to Anchin Block & Anchin ("Anchin") and Grant Thornton LLP ("Grant Thornton") for financial services during the CAT Fee 2025–2 Period.

Financial Advisory Firm: Anchin. It is anticipated that the professional and administration costs for the CAT Fee 2025–2 Period will include costs related to financial advisory services performed by Anchin. CAT LLC anticipates that it will continue to employ Anchin during the CAT Fee 2025–2 Period based on, among other things, the firm's relevant

expertise and fees, which are anticipated to remain in line with market rates for these financial advisory services. The fees for these services will be paid by CAT LLC to Anchin.

It is anticipated that Anchin will provide a variety of services to the CAT during the CAT Fee 2025–2 Period, including the following:

- Update and maintain internal controls;
 - Provide cash management and treasury functions;
 - Facilitate bill payments to vendors;
 - Facilitate repayments of promissory notes to Participants;
 - Provide monthly bookkeeping;
 - Review vendor invoices and documentation in support of cash disbursements;
 - Review documentation to ensure that repayments of promissory notes to Participants are in accordance with established policies and procedures;
 - Provide accounting research and consultations on various accounting, financial reporting and tax matters;
 - Address not-for-profit tax and accounting considerations;
 - Prepare tax returns;
 - Address various accounting, financial reporting and operating inquiries from Participants;
 - Develop and maintain annual operating and financial budgets, including budget to actual fluctuation analyses;
 - Support compliance with the CAT NMS Plan;
 - Work with and provide support to the Operating Committee and various CAT working groups;
 - Prepare monthly, quarterly and annual financial statements;
 - Review and reconcile the monthly FINRA CAT reports/analyses related to billings, collections, outstanding accounts receivable and cash account;
 - Perform certain verification, completeness, and validation testing related to the monthly FINRA CAT reports/analyses related to billings;
 - Support the annual financial statement audits by an independent auditor;
 - Review historical costs from inception;
 - Provide accounting and financial information in support of SEC filings; and
 - Perform additional ad hoc accounting and financial advisory services, as requested by CAT LLC.
- CAT LLC estimated the annual budget for the costs for Anchin based on historical costs adjusted for cost of living rate increases, and projected incremental advisory and support services.

⁸¹ Note that CAT LLC generally pays its USI insurance premiums once per year, and such payment is scheduled to occur during the third quarter of 2025.

⁸² See Fee Filing for CAT Fee 2025–1.

⁸³ This calculation is \$1,594,452 + \$0 = \$1,594,452.

⁸⁴ This calculation is \$1,594,452 + \$0 = \$1,594,452.

⁸⁵ Section 9.2 of the CAT NMS Plan.

Accounting Firm: Grant Thornton. It is anticipated that the professional and administration costs for the CAT Fee 2025–2 Period will include costs related to accounting services performed by Grant Thornton. CAT LLC anticipates that it will continue to employ Grant Thornton during the CAT Fee 2025–2 Period based on, among other things, the firm's relevant expertise and fees, which are anticipated to remain in line with market rates for these financial advisory services. It is anticipated that Grant Thornton will continue to be engaged as an independent accounting firm to complete the audit of CAT LLC's financial statements, in accordance with the requirements of the CAT NMS Plan. The fees for these services will be paid by CAT LLC to Grant Thornton. CAT LLC estimated the budget for the accounting costs for Grant Thornton for the CAT Fee 2025–2 Period based on the anticipated hourly rates and the anticipated services plus an administrative fee.

Professional and Administration Cost Estimates. CAT LLC estimates that the budget for professional and administration services during the CAT Fee 2025–2 Period will be approximately \$609,818. The budget for professional and administration services during the CAT Fee 2025–2 Period is based on the Updated 2025 CAT Budget. CAT LLC estimated the budget for the professional and administration costs for the CAT Fee 2025–2 Period based on a review of past professional and administration costs, potential future professional and administration needs, the proposed rates and other contractual issues, as well as discussions with Anchin and Grant Thornton. This process for estimating the budget for the professional and administration costs for the CAT Fee 2025–2 Period is the same process by which CAT LLC estimated the professional and administration costs for the Original 2025 CAT Budget. The Original 2025 CAT Budget estimated a budget for professional and administration costs of \$168,750 for the first quarter of 2025. The actual costs for professional and administration services for the first quarter of 2025, which are set forth in the Updated 2025 Budget, were \$297,513. The increase of \$128,763 was due to unanticipated issues that required additional professional and administration efforts on behalf of CAT LLC that developed after the budget was created. Such additional costs were primarily due to increases in both financial advisory costs and accounting costs as a result of incremental controls and procedures relating to billings and

collections of fees from Participants and Industry Members and the corresponding repayments of promissory notes on historical costs as well as incremental subsequent events procedures relating to the 2023 audit for CAT LLC. Accordingly, CAT LLC believes that the process for estimating the budgeted professional and administration costs for the CAT Fee 2025–2 Period is reasonable.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for professional and administration costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the professional and administration costs from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁸⁶ Specifically, the following describes the differences (if any) in the professional and administration costs as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual 2025 budgeted professional and administration costs as set forth in the Original 2025 CAT Budget were \$882,456, and the annual 2025 budgeted professional and administration costs as set forth in the Updated 2025 CAT Budget are \$1,193,090. Accordingly, the budgeted annual costs for professional and administration services increased by \$310,634 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the full year of 2025.

Correspondingly, the budgeted costs for professional and administration services for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$444,246,⁸⁷ and the budgeted costs for professional and administration services services [*sic*] for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$609,818.⁸⁸ Accordingly, the budgeted costs for professional and administration services for the third and fourth quarters of 2025 increased by \$165,572 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the third and fourth quarters of 2025.

⁸⁶ See Fee Filing for CAT Fee 2025–1.

⁸⁷ This calculation is \$168,750 + \$275,496 = \$444,246.

⁸⁸ This calculation is \$414,818 + \$195,000 = \$609,818.

This budgeted increase in the professional and administration costs in the Updated 2025 CAT Budget from the Original 2025 Budget, both for the full year for 2025 and for the third and fourth quarters of 2025, was primarily due to increases in both financial advisory costs and accounting costs as a result of additional anticipated efforts related to billings and collections of fees from Participants and Industry Members, coupled with expected incremental efforts related to supporting CAT LLC's independent auditors for the 2024 audit.

(x) Public Relations Costs

(a) Description of Public Relations Costs

Section 11.3(a)(iii)(B)(B)(6) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to provide a brief description of the public relations costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that included \$0 in public relations costs for the CAT Fee 2025–2 Period. The public relations costs represent the fees paid to a public relations firm for professional communications services to CAT, including media relations consulting, strategy and execution. Because CAT LLC anticipates that it will not engage a public relations firm for the third and fourth quarters of 2025, the budget for public relations costs for this period is \$0.

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for public relations costs from the prior CAT Fee filing. Accordingly, this filing describes the changes in the public relations costs from the Updated 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁸⁹ Specifically, the following describes the differences (if any) in the public relations costs as set forth in the Original 2025 CAT Budget versus the Updated 2025 CAT Budget for the full year of 2025 as well as for the third and fourth quarters of 2025, and the reasons for any changes.

The annual budgeted public relations costs for 2025 as set forth in the Original 2025 CAT Budget were \$50,000, and the annual budgeted public relations costs for 2025 as set forth in the Updated 2025 CAT Budget are \$6,575. Accordingly, the annual budget for public relations cost for 2025 decreased by \$43,425 from the Original 2025 CAT

⁸⁹ See Fee Filing for CAT Fee 2025–1.

Budget to the Updated 2025 CAT Budget for the full year of 2025.

Correspondingly, the budgeted costs for public relations services for the third and fourth quarters of 2025 as set forth in the Original 2025 CAT Budget were \$25,000,⁹⁰ and the budgeted costs for public relations services for the third and fourth quarters of 2025 as set forth in the Updated 2025 CAT Budget are \$0.⁹¹ Accordingly, the budgeted costs for public relations services for the third and fourth quarters of 2025 decreased by \$25,000 from the Original 2025 CAT Budget to the Updated 2025 CAT Budget for the third and fourth quarters of 2025.

This budgeted decrease in the public relations costs from the Original 2025 CAT Budget to the Updated 2025 CAT Budget, both for the full year for 2025 and for the third and fourth quarters of 2025, was primarily due to CAT LLC's anticipation that it would not engage a public relations firm for the remainder of 2025.

(xi) Reserve

(a) Description of Reserve

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a

Prospective CAT Fee to provide a brief description of the reserve costs set forth in the budget. The Operating Committee approved an operating budget for the CAT pursuant to Section 11.1(a) of the CAT NMS Plan that includes a reserve amount for 2025. Section 11.1(a)(i) of the CAT NMS Plan states that the budget shall include a reserve. Section 11.1(a)(ii) of the CAT NMS Plan further describes the reserve as follows:

For the reserve referenced in paragraph (a)(i) of this Section, the budget will include an amount reasonably necessary to allow the Company to maintain a reserve of not more than 25% of the annual budget. To the extent collected CAT fees exceed CAT costs, including the reserve of 25% of the annual budget, such surplus shall be used to offset future fees. For the avoidance of doubt, the Company will only include an amount for the reserve in the annual budget if the Company does not have a sufficient reserve (which shall be up to but not more than 25% of the annual budget). For the avoidance of doubt, the calculation of the amount of the reserve would exclude the amount of the reserve from the budget.

CAT LLC determined to maintain a reserve in the amount of 25% of the total expenses set forth in Updated 2025 CAT Budget (which does not include

the reserve amount). Accordingly, the total 25% reserve was calculated by multiplying the total expenses set forth in the Updated 2025 CAT Budget (other than the reserve) by 25%, which is \$57,083,638.⁹²

The Updated 2025 CAT Budget states that CAT LLC had accrued \$70,942,596 for the reserve as of the beginning of 2025, and an additional \$28,846,075 during the first quarter of 2025, from the collection of CAT Fees 2024–1 and 2025–1 and the related Participant CAT Fees. In addition, the Updated 2025 CAT Budget anticipates the collection of an additional \$11,821,477 during the second quarter of 2025 via CAT Fee 2025–1 and the related Participant CAT Fee. Accordingly, the Updated 2025 CAT Budget estimates that CAT LLC would collect a surplus reserve amount through June 2025 of \$54,526,412 over the 25% reserve amount of \$57,083,638.⁹³ The following chart summarizes the calculation of the surplus reserve amount included in Budgeted CAT Costs 2025–2 and used to calculate CAT Fee 2025–2:

1. Total reserve as of the beginning of 2025	\$70,942,596
2. Total reserve collected during the Q1 2025	28,846,075
3. Total reserve estimated for Q2 2025	11,821,477
4. TOTAL RESERVE COLLECTED or ESTIMATED TO BE COLLECTED by END of Q2 of 2025 (Row 1 + Row 2 + Row 3)	111,610,148
5. Budgeted 2025 Reserve (Total 2025 CAT costs other than reserve (\$228,334,551) multiplied by 25%)	57,083,638
TOTAL SURPLUS RESERVE (Row 4–Row 5)	54,526,412

Such surplus was related, in part, to (i) the collection of CAT fees in excess of the budgeted CAT costs for 2024 and 2025 in light of the greater actual executed equivalent share volume than the projected executed equivalent share volume for CAT Fees 2024–1 and 2025–1, and (ii) a reduction in anticipated

budgeted costs associated with the implementation of certain cost savings measures approved by the SEC pertaining to the processing of options market maker quotes and the storage of certain data.⁹⁴

As set forth in the Budgeted CAT Costs 2025–2, the surplus reserve balance of \$54,526,412 would be used to

offset a portion of CAT costs for the third and fourth quarters of 2025, thereby reducing the fee rate to be paid for CAT Fee 2025–2. Specifically, the total costs used to calculate the fee rate for CAT Fee 2025–2 would be reduced by the amount of the surplus reserve as set forth in the following table:

1. Total Budgeted CAT Costs 2025–2 Other than Reserve (<i>i.e.</i> , costs for Q3 and Q4 of 2025)	\$115,252,921
2. Surplus Reserve	(54,526,510)
3. Total Budgeted CAT Costs 2025–2 (Row 1–Row 2)	60,726,412

Accordingly, the fee rate for CAT Fee 2025–2 is calculated based on this reduced amount of \$60,726,412, resulting in a fee rate of \$0.000009 per executed equivalent share. If the fee rate for CAT Fee 2025–2 were calculated solely based on the reasonably budgeted

costs for CAT for July–December 2025 excluding the reduction in that amount due to the surplus reserve offset (that is, based on \$115,252,921, not \$60,726,412), the fee rate would be the higher rate of \$0.000017.⁹⁵

(b) Changes From Prior Fee Filing

Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan requires the fee filing for a Prospective CAT Fee to describe the reason for changes in the line item for a reserve from the prior CAT Fee filing. Accordingly, this filing describes the

⁹⁰ This calculation is \$12,500 + \$12,500 = \$25,000.

⁹¹ This calculation is \$0 + \$0 = \$0.

⁹² The reserve was calculated by multiplying \$228,334,551 by 25%, which equals approximately \$57,083,638.

⁹³ This calculation is (\$70,942,596 + \$28,846,075 + \$11,821,477) – \$57,083,638 = \$54,526,412.

⁹⁴ See Cost Savings Amendment.

⁹⁵ See CAT Fee Alert 2025–2 (5/29/25)

changes in the reserve from the Original 2025 CAT Budget, which was used in the calculation of the prior Prospective CAT Fee, CAT Fee 2025–1.⁹⁶

For the Original 2025 CAT Budget, CAT LLC determined to maintain a reserve in the amount of 25% of budgeted CAT costs (other than the reserve). Accordingly, the total 25% reserve was calculated by multiplying the budgeted CAT costs (other than the reserve) as set forth in the Original 2025 CAT Budget (which is \$248,846,076) by 25%, for a target reserve amount of \$62,211,519. However, the Original 2025 CAT Budget recognized that a portion of the reserve—\$38,369,315—would have been previously collected, and therefore would not need to be included the budgeted CAT costs to be recovered by the CAT Fees. Specifically, the Original 2025 CAT Budget recognized that there was (i) a liquidity reserve balance of \$27,695,385 at the beginning of 2025, (ii) a favorable variance of \$10,084,698 for budgeted versus actual cloud hosting services costs covering the period from July 16, 2024 through September 30, 2024, and (iii) a Participation Fee from a new Participant in the CAT NMS Plan of \$589,232. These three items totaled \$38,369,315. Accordingly, the Original 2025 CAT Budget only included \$23,842,200 to be collected towards the reserve via the CAT Fee. This \$23,842,200 is calculated by reducing the total 25% reserve amount of \$62,211,519 by the \$38,369,315 previously collected for the reserve. In the Original 2025 CAT Budget, the budget anticipated collecting the remaining reserve amount of \$23,842,200 evenly throughout the year, that is, \$5,960,500 for each quarter.

As discussed above, CAT LLC determined to maintain a reserve in the amount of 25% of the budgeted CAT costs (other than the reserve). Accordingly, the total 25% reserve was calculated by multiplying the budgeted CAT costs (other than the reserve) as set forth in the Updated 2025 CAT Budget (which is \$228,334,551) by 25%, for a target reserve amount of \$57,083,638.⁹⁷ However, the Updated 2025 CAT Budget states that CAT LLC had accrued \$70,942,596 for the reserve as of the beginning of 2025, and an additional \$28,846,075 during the first quarter of 2025, from the collection of CAT Fees 2024–1 and 2025–1 and the related Participant CAT Fees. In addition, the Updated 2025 CAT Budget anticipates

the collection of an additional \$11,821,477 during the second quarter of 2025 via CAT Fee 2025–1 and the related Participant CAT Fee.

Accordingly, the Updated 2025 CAT Budget estimates that CAT LLC would collect a surplus reserve amount through June 2025 of \$54,526,412 in excess of the 25% targeted reserve amount of \$57,083,638.⁹⁸ Accordingly, the Updated 2025 CAT Budget anticipates reducing the recoverable CAT costs by \$54,526,412 in the second half of 2025, specifically a reduction of \$27,263,255 in each of the third and fourth quarters of 2025.

As discussed above, such surplus reserve balance of \$54,526,412 would be used to offset a portion of CAT costs for the third and fourth quarters of 2025, thereby reducing the fee rate for CAT Fee 2025–2 in accordance with Section 11.1(a)(ii) of the CAT NMS Plan. Section 11.1(a)(ii) of the CAT NMS Plan states that “[t]o the extent collected CAT fees exceed CAT costs, including the reserve of 25% of the annual budget, such surplus shall be used to offset future fees.”

(D) Projected Total Executed Equivalent Share Volume

The calculation of Fee Rate 2025–2 also requires the determination of the projected total executed equivalent share volume of transactions in Eligible Securities for the CAT Fee 2025–2 Period. Under the CAT NMS Plan, the Operating Committee is required to “reasonably determine the projected total executed equivalent share volume of all transactions in Eligible Securities for each relevant period based on the executed equivalent share volume of all transactions in Eligible Securities for the prior twelve months.”⁹⁹ The Operating Committee is required to base its projection on the prior twelve months, but it may use its discretion to analyze the likely volume for the upcoming year. Such discretion would allow the Operating Committee to use its judgment when estimating projected total executed equivalent share volume if the volume over the prior twelve months was unusual or otherwise unfit to serve as the basis of a future volume estimate.¹⁰⁰

The total executed equivalent share volume of transactions in Eligible Securities for the 12-month period from April 2024 through March 2025 was 4,580,287,680,646.28 executed equivalent shares. The Operating

Committee has determined to calculate the projected total executed equivalent share volume for the six-month recovery period for CAT Fee 2025–2 by multiplying by one-half the executed equivalent share volume for the 12-month period from April 2024 through March 2025. The Operating Committee determined that such an approach was reasonable as the CAT’s annual executed equivalent share volume has remained relatively constant. For example, the executed equivalent share volume for 2021 was 3,963,697,612,395, the executed equivalent share volume for 2022 was 4,039,821,841,560.31, the executed equivalent share volume for 2023 was 3,868,940,345,680.6, and the executed equivalent share volume for 2024 was 4,295,884,600,069.41. Accordingly, the projected total executed equivalent share volume for the six-month period for CAT Fee 2025–2 is projected to be 2,290,143,840,323.14 executed equivalent shares.¹⁰¹

The projected total executed equivalent share volume of all transactions in Eligible Securities for the six-month recovery period for CAT Fee 2025–2 and a description of the calculation of the projection is provided in this filing in accordance with the requirement in the CAT NMS Plan to provide such information in a fee filing for a CAT Fee.¹⁰²

(E) Fee Rate 2025–2

Fee Rate 2025–2 would be calculated by dividing the Budgeted CAT Costs 2025–2 by the reasonably projected total executed equivalent share volume of all transactions in Eligible Securities for the six-month recovery period for CAT Fee 2025–2, as described in detail above.¹⁰³ Specifically, Fee Rate 2025–2 would be calculated by dividing \$60,726,412 by 2,290,143,840,323.14 executed equivalent shares. As a result, Fee Rate 2025–2 would be \$0.00002651641828376661 per executed equivalent share. Fee Rate 2025–2 is provided in this filing in accordance with the requirement in the CAT NMS Plan to provide the Fee Rate in a fee filing for a CAT Fee.¹⁰⁴

¹⁰¹ This projection was calculated by multiplying 4,580,287,680,646.28 executed equivalent shares by one-half.

¹⁰² Section 11.3(a)(iii)(B) of the CAT NMS Plan.

¹⁰³ In approving the CAT Funding Model, the Commission stated that “[t]he manner in which the Fee Rate for Prospective CAT Costs will be calculated (*i.e.*, by dividing the CAT costs reasonably budgeted for the upcoming year by the reasonably projected total executed equivalent share volume of all transactions in Eligible Securities for the year) is reasonable.” CAT Funding Model Approval Order at 62651.

¹⁰⁴ See Section 11.3(a)(iii)(B)(A) of the CAT NMS Plan.

⁹⁶ See Fee Filing for CAT Fee 2025–1.

⁹⁷ The reserve was calculated by multiplying \$228,334,551 by 25%, which equals approximately \$57,083,638.

⁹⁸ This calculation is $(\$70,942,596 + \$28,846,075 + \$11,821,477) - \$57,083,638 = \$54,526,412$.

⁹⁹ Section 11.3(a)(i)(D) of the CAT NMS Plan.

¹⁰⁰ CAT Funding Model Approval Order at 62651.

(3) Monthly Fees

CEBBs and CEBSs would be required to pay fees for CAT Fee 2025–2 on a monthly basis for six months, from August 2025 until January 2026. A CEBB's or CEBS's fee for each month would be calculated based on the transactions in Eligible Securities executed by the CEBB or CEBS from the prior month.¹⁰⁵ Proposed paragraph (a)(5)(A) of the fee schedule would state that each CAT Executing Broker would receive its first invoice for CAT Fee 2025–2 in August 2025, and would receive an invoice for CAT Fee 2025–2 each month thereafter until January 2026. Proposed paragraph (a)(5)(B) of the fee schedule would state that “Consolidated Audited Trail, LLC shall provide each CAT Executing Broker with an invoice for CAT Fee 2025–2 on a monthly basis.” In addition, paragraph (b)(1) of the fee schedule states that each CEBB and CEBS is required to pay its CAT fees “each month.”

(4) Consolidated Audit Trail Funding Fees

To implement CAT Fee 2025–2, the Exchange proposes to add a new paragraph to the “Consolidated Audit Trail Funding Fees” section of the Exchange's fee schedule, to include the proposed paragraphs described below.

(A) Fee Schedule for CAT Fee 2025–2

The CAT NMS Plan states that:

Each Industry Member that is the CAT Executing Broker for the buyer in a transaction in Eligible Securities (“CAT Executing Broker for the Buyer” or “CEBB”) and each Industry Member that is the CAT Executing Broker for the seller in a transaction in Eligible Securities (“CAT Executing Broker for the Seller” or “CEBS”) will be required to pay a CAT Fee for each such transaction in Eligible Securities in the prior month based on CAT Data. The CEBB's CAT Fee or CEBS's CAT Fee (as applicable) for each transaction in Eligible Securities will be calculated by multiplying the number of executed equivalent shares in the transaction by one-third and by the Fee Rate reasonably determined pursuant to paragraph (a)(i) of this Section 11.3.¹⁰⁶

Accordingly, based on the factors discussed above, the Exchange proposes to add paragraph (a)(5) to the Consolidated Audit Trail Funding Fees section of its fee schedule. Proposed paragraph (a)(5) would state the following:

(A) Each CAT Executing Broker shall receive its first invoice for CAT Fee 2025–2 in August 2025, which shall set forth the CAT Fee 2025–2 fees calculated based on

transactions in July 2025, and shall receive an invoice for CAT Fee 2025–2 for each month thereafter until January 2026.

(B) Consolidated Audit Trail, LLC shall provide each CAT Executing Broker with an invoice for CAT Fee 2025–2 on a monthly basis. Each month, such invoices shall set forth a fee for each transaction in Eligible Securities executed by the CAT Executing Broker in its capacity as a CAT Executing Broker for the Buyer (“CEBB”) and/or the CAT Executing Broker for the Seller (“CEBS”) (as applicable) from the prior month as set forth in CAT Data. The fee for each such transaction will be calculated by multiplying the number of executed equivalent shares in the transaction by the fee rate of \$0.000009 per executed equivalent share.

(C) Notwithstanding the last invoice date of January 2026 for CAT Fee 2025–2 in paragraph 5(A), CAT Fee 2025–2 shall continue in effect after January 2026, with each CAT Executing Broker receiving an invoice for CAT Fee 2025–2 each month, until a new subsequent CAT Fee is in effect with regard to Industry Members in accordance with Section 19(b) of the Exchange Act. Consolidated Audit Trail, LLC will provide notice when CAT Fee 2025–2 will no longer be in effect.

(D) Each CAT Executing Broker shall be required to pay each invoice for CAT Fee 2025–2 in accordance with paragraph (b).

As noted in the Plan amendment for the CAT Funding Model, “[a]s a practical matter, the fee filing would provide the exact fee per executed equivalent share to be paid for the CAT Fees, by multiplying the Fee Rate by one-third and describing the relevant number of decimal places for the fee.”¹⁰⁷ Accordingly, proposed paragraph (a)(5)(B) of the fee schedule would set forth a fee rate of \$0.000009 per executed equivalent share. This fee rate is calculated by multiplying Fee Rate 2025–2 of \$0.00002651641828376661 by one-third, and rounding the result to six decimal places.¹⁰⁸ The Operating Committee determined to use six decimal places to balance the accuracy of the calculation with the potential systems and other impracticalities of using additional decimal places in the calculation.

The proposed language in paragraph (a)(5)(A) of the fee schedule would describe when CAT Executing Brokers would receive their first monthly invoice for CAT Fee 2025–2. Specifically, CAT Executing Brokers would receive their first monthly invoice for CAT Fee 2025–2 in August 2025 and the fees set forth in that

invoice would be calculated based on transactions executed in July 2025. The payment for the first invoice would be required within 30 days after the receipt of the first invoice (unless a longer period is indicated), as described in paragraph (b)(2) of the fee schedule.

Proposed paragraph (a)(5)(A) of the fee schedule also would describe the monthly cadence of the invoices for CAT Fee 2025–2. Specifically, after the first invoices are provided to CAT Executing Brokers in August 2025, invoices will be sent to CAT Executing Brokers each month thereafter until January 2026.

Proposed paragraph (a)(5)(B) of the fee schedule would describe the invoices for CAT Fee 2025–2. Proposed paragraph (a)(5)(B) of the fee schedule would state that “Consolidated Audit Trail, LLC shall provide each CAT Executing Broker with an invoice for CAT Fee 2025–2 on a monthly basis.” Proposed paragraph (a)(5)(B) of the fee schedule also would describe the fees to be set forth in the invoices for CAT Fee 2025–2. Specifically, it would state that “[e]ach month, such invoices shall set forth a fee for each transaction in Eligible Securities executed by the CAT Executing Broker in its capacity as a CAT Executing Broker for the Buyer (“CEBB”) and/or the CAT Executing Broker for the Seller (“CEBS”) (as applicable) from the prior month as set forth in CAT Data. The fee for each such transaction will be calculated by multiplying the number of executed equivalent shares in the transaction by the fee rate of \$0.000009 per executed equivalent share.”

Since CAT Fee 2025–2 is a monthly fee based on actual transaction volume from the prior month, CAT Fee 2025–2 may collect more or less than two-thirds of the Budgeted CAT Costs 2025–2. To the extent that CAT Fee 2025–2 collects more than two-thirds of the Budgeted CAT Costs 2025–2, any excess money collected will be used to offset future fees and/or to fund the reserve for the CAT. To the extent that CAT Fee 2025–2 collects less than two-thirds of the Budgeted CAT Costs 2025–2, the budget for the CAT in the ensuing months will reflect such shortfall.

Furthermore, proposed paragraph (a)(5)(C) of the fee schedule would describe how long CAT Fee 2025–2 would remain in effect. It would state that “[n]otwithstanding the last invoice date of January 2026 for CAT Fee 2025–2 in paragraph 5(A), CAT Fee 2025–2 shall continue in effect after January 2026, with each CAT Executing Broker receiving an invoice for CAT Fee 2025–2 each month, until a new subsequent CAT Fee is in effect with regard to

¹⁰⁷ CAT Funding Model Approval Order at 62658, n.658.

¹⁰⁸ Dividing \$0.00002651641828376661 by three equals \$0.000008838806094588872. Rounding \$0.000008838806094588872 to six decimal places equals \$0.000009.

¹⁰⁵ See proposed paragraph (a)(5)(B) of the fee schedule.

¹⁰⁶ Section 11.3(a)(iii)(A) of the CAT NMS Plan.

Industry Members in accordance with Section 19(b) of the Exchange Act. Consolidated Audit Trail, LLC will provide notice when CAT Fee 2025–2 will no longer be in effect.”

Finally, proposed paragraph (a)(5)(D) of the fee schedule would set forth the requirement for the CAT Executing Brokers to pay the invoices for CAT Fee 2025–2. It would state that “[e]ach CAT Executing Broker shall be required to pay each invoice for CAT Fee 2025–2 in accordance with paragraph (b).”

(B) Manner of Payment

Paragraph (b)(1) of the “Consolidated Audit Trail Funding Fees” section of the fee schedule describes the manner of payment of Industry Member CAT fees. It states that “[e]ach CAT Executing Broker shall pay its CAT fees as required pursuant to paragraph (a) each month to the Consolidated Audit Trail, LLC in the manner prescribed by the Consolidated Audit Trail, LLC.” The CAT NMS Plan requires the Operating Committee to establish a system for the collection of CAT fees.¹⁰⁹ The Plan Processor has established a billing system for CAT fees.¹¹⁰ Accordingly, CAT Executing Brokers would be required to pay CAT Fee 2025–2 in accordance with such system.

(C) Failure To Pay CAT Fees

The CAT NMS Plan further states that:

Participants shall require each Industry Member to pay all applicable fees authorized under this Article XI within thirty (30) days after receipt of an invoice or other notice indicating payment is due (unless a longer payment period is otherwise indicated). If an Industry Member fails to pay any such fee when due (as determined in accordance with the preceding sentence), such Industry Member shall pay interest on the outstanding balance from such due date until such fee is paid at a per annum rate equal to the lesser of: (a) the Prime Rate plus 300 basis points; or (b) the maximum rate permitted by applicable law.¹¹¹

Paragraph (b)(2) of the fee schedule states that:

Each CAT Executing Broker shall pay the CAT fees required pursuant to paragraph (a) within thirty days after receipt of an invoice or other notice indicating payment is due (unless a longer payment period is otherwise indicated). If a CAT Executing Broker fails to

pay any such CAT fee when due, such CAT Executing Broker shall pay interest on the outstanding balance from such due date until such fee is paid at a per annum rate equal to the lesser of (i) the Prime Rate plus 300 basis points, or (ii) the maximum rate permitted by applicable law.

The requirements of paragraph (b)(2) would apply to CAT Fee 2025–2.

(5) CAT Fee Details

The CAT NMS Plan states that:

Details regarding the calculation of a Participant or CAT Executing Broker's CAT Fees will be provided upon request to such Participant or CAT Executing Broker. At a minimum, such details would include each Participant or CAT Executing Broker's executed equivalent share volume and corresponding fee by (1) Listed Options, NMS Stocks and OTC Equity Securities, (2) by transactions executed on each exchange and transactions executed otherwise than on an exchange, and (3) by buy-side transactions and sell-side transactions.¹¹²

Such information would provide CEBBs and CEBBs with the ability to understand the details regarding the calculation of their CAT Fee.¹¹³ CAT LLC will provide CAT Executing Brokers with these details regarding the calculation of their CAT Fees on their monthly invoice for the CAT Fees.

In addition, CAT LLC will make certain aggregate statistics regarding CAT Fees publicly available. Specifically, the CAT NMS Plan states that, “[f]or each CAT Fee, at a minimum, CAT LLC will make publicly available the aggregate executed equivalent share volume and corresponding aggregate fee by (1) Listed Options, NMS Stocks and OTC Equity Securities, (2) by transactions executed on each exchange and transactions executed otherwise than on an exchange, and (3) by buy-side transactions and sell-side transactions.”¹¹⁴ Such aggregate statistics will be available on the CAT website.

Furthermore, CAT LLC will make publicly available on the CAT website the total amount invoiced each month that CAT Fee 2025–2 is in effect as well

as the total amount invoiced for CAT Fee 2025–2 for all months since its commencement. CAT LLC also will make publicly available on the CAT website the total costs to be collected from Industry Members for CAT Fee 2025–2.

(6) Financial Accountability Milestones

The CAT NMS Plan states that “[n]o Participant will make a filing with the SEC pursuant to Section 19(b) of the Exchange Act regarding any CAT Fee related to Prospective CAT Costs until the Financial Accountability Milestone related to Period 4 described in Section 11.6 has been satisfied.”¹¹⁵ Under Section 1.1 of the CAT NMS Plan, a Financial Accountability Milestone is considered complete as of the date identified in the Participants' Quarterly Progress Reports. As indicated by the Participants' Quarterly Progress Report for the second and third quarter of 2024,¹¹⁶ the Financial Accountability Milestone related to Period 4 was satisfied on July 15, 2024. In addition, the satisfaction of the Financial Accountability Milestone related to Period 4 was described in detail in the fee filing for the first Prospective CAT Fee, CAT Fee 2024–1.¹¹⁷

(7) Relationship to CAT Fee 2025–1

CAT LLC intends for CAT Fee 2025–2 to replace CAT Fee 2025–1 (which has a fee rate of \$0.000022).¹¹⁸ Accordingly, as long as CAT Fee 2025–2 is in effect, CAT Fee 2025–1 would not be charged to CEBBs, CEBBs and Participants. Specifically, subject to CAT Fee 2025–2 being in effect, CAT LLC intends to send the last invoice for CAT Fee 2025–1 in July 2025 based on June 2025 transactions and, correspondingly, to send the first invoice for CAT Fee 2025–2 in August 2025 based on July 2025 transactions.

(8) Participant Invoices

While CAT Fees charged to Industry Members become effective in accordance with the requirements of Section 19(b) of the Exchange Act,¹¹⁹ CAT fees charged to Participants are implemented via an approval of the CAT fees by the Operating Committee in accordance with the requirements of the

¹¹² Section 11.3(a)(iv)(A) of the CAT NMS Plan.

¹¹³ In approving the CAT Funding Model, the Commission stated that, “[i]n the Commission's view, providing CAT Execut[ing] Brokers information regarding the calculation of their CAT Fees will aid in transparency and permit CAT Execut[ing] Brokers to confirm the accuracy of their invoices for CAT Fees.” CAT Funding Model Approval Order at 62667.

¹¹⁴ Section 11.3(a)(iv)(B) of the CAT NMS Plan. In approving the CAT Funding Model, the Commission stated that “[t]he publication of the aggregate executed equivalent share volume and aggregate fee is appropriate because it would allow Participants and CAT Executing Brokers a high-level validation of executed volume and fees.” CAT Funding Model Approval Order at 62667.

¹¹⁵ Section 11.3(a)(iii)(C) of the CAT NMS Plan.

¹¹⁶ Q2 & Q3 2024 Quarterly Progress Report (July 29, 2024).

¹¹⁷ See Securities Exchange Act Rel. No. 34–99356; File No. SR–MEMX–2024–01 (January 17, 2024) 89 FR 10697 (February 13, 2024) (SR–MEMX–2024–01) “Fee Filing for CAT Fee 2024–1”

¹¹⁸ Note that CAT Fee 2025–2 is separate from and will be in addition to any Historical CAT Assessment to Industry Members.

¹¹⁹ Section 11.3(a)(i)(A)(I) of the CAT NMS Plan.

¹⁰⁹ Section 11.4 of the CAT NMS Plan.

¹¹⁰ The billing process and system are described in CAT Alert 2023–02 as well as the CAT FAQs related to the billing of CAT fees, the Industry Member CAT Reporter Portal User Guide, the FCAT Industry Member Onboarding Guide, the FCAT Connectivity Supplement for Industry Members and the CAT Billing Webinars (dated Sept. 28, 2023 and Nov. 7, 2023), each available on the CAT website.

¹¹¹ Section 11.4 of the CAT NMS Plan.

CAT NMS Plan.¹²⁰ On May 28, 2025, the Operating Committee approved the Participant fee related to CAT Fee 2025–2. Specifically, pursuant to the requirements of CAT NMS Plan,¹²¹ each Participant would be required to pay a CAT fee calculated using the fee rate of \$0.000009 per executed equivalent share, which is the same fee rate that applies to CEBBs and CEBSSs. Like CEBBs and CEBSSs, each Participant would be required to pay such CAT fees on a monthly basis for six months, from September 2025 until February 2026, and each Participant's fee for each month would be calculated based on the transactions in Eligible Securities executed on the applicable exchange (for the Participant exchanges) or otherwise than on an exchange (for FINRA) in the prior month. Accordingly, each Participant will receive its first invoice in August 2025, and would receive an invoice each month thereafter until January 2026. Like with the CAT Fee 2025–2 applicable to CEBBs and CEBSSs as described in proposed paragraph (a)(5)(C) of the fee schedule, notwithstanding the last invoice date of January 2026, Participants will continue to receive invoices for this fee each month until a new subsequent CAT Fee is in effect with regard to Industry Members. Furthermore, Section 11.4 of the CAT NMS Plan states that each Participant is required to pay such invoices as required by Section 3.7(b) of the CAT NMS Plan. Section 3.7(b) states, in part, that

[e]ach Participant shall pay all fees or other amounts required to be paid under this Agreement within thirty (30) days after receipt of an invoice or other notice indicating payment is due (unless a longer payment period is otherwise indicated) (the "Payment Date"). The Participant shall pay interest on the outstanding balance from the Payment Date until such fee or amount is paid at a per annum rate equal to the lesser of: (i) Prime Rate plus 300 basis points; or (ii) the maximum rate permitted by applicable law.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the requirements of the Exchange Act. The Exchange believes that the proposed rule change is consistent with Section 6(b)(5) of the Act,¹²² which requires, among other things, that the Exchange's rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable

principles of trade, and, in general, to protect investors and the public interest, and not designed to permit unfair discrimination between customers, issuers, brokers and dealers. The Exchange also believes that the proposed rule change is consistent with the provisions of Section 6(b)(4) of the Act,¹²³ because it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers. The Exchange further believes that the proposed rule change is consistent with Section 6(b)(8) of the Act,¹²⁴ which requires that the Exchange's rules not impose any burden on competition that is not necessary or appropriate in furtherance of the purpose of the Exchange Act. These provisions also require that the Exchange be "so organized and [have] the capacity to be able to carry out the purposes" of the Act and "to comply, and . . . to enforce compliance by its members and persons associated with its members," with the provisions of the Exchange Act.¹²⁵ Accordingly, a reasonable reading of the Act indicates that it intended that regulatory funding be sufficient to permit an exchange to fulfill its statutory responsibility under the Act, and contemplated that such funding would be achieved through equitable assessments on the members, issuers, and other users of an exchange's facilities.

The Exchange believes that this proposal is consistent with the Act because it implements provisions of the Plan and is designed to assist the Exchange in meeting regulatory obligations pursuant to the Plan. In approving the Plan, the SEC noted that the Plan "is necessary and appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanism of a national market system, or is otherwise in furtherance of the purposes of the Act."¹²⁶ To the extent that this proposal implements the Plan and applies specific requirements to Industry Members, the Exchange believes that this proposal furthers the objectives of the Plan, as identified by the SEC, and is therefore consistent with the Act.

The Exchange believes that the proposed fees to be paid by the CEBBs

and CEBSSs are reasonable, equitably allocated and not unfairly discriminatory. First, the CAT Fee 2025–2 fees to be collected are directly associated with the budgeted costs of establishing and maintaining the CAT, where such costs include Plan Processor costs and costs related to technology, legal, consulting, insurance, professional and administration, and public relations costs.

The proposed CAT Fee 2025–2 fees would be charged to Industry Members in support of the maintenance of a consolidated audit trail for regulatory purposes. The proposed fees, therefore, are consistent with the Commission's view that regulatory fees be used for regulatory purposes and not to support the Exchange's business operations. The proposed fees would not cover Exchange services unrelated to the CAT. In addition, any surplus would be used as a reserve to offset future fees. Given the direct relationship between CAT fees and CAT costs, the Exchange believes that the proposed fees are reasonable, equitable and not unfairly discriminatory.

As further discussed below, the SEC approved the CAT Funding Model, finding it was reasonable and that it equitably allocates fees among Participants and Industry Members. The Exchange believes that the proposed fees adopted pursuant to the CAT Funding Model approved by the SEC are reasonable, equitably allocated and not unfairly discriminatory.

(1) Implementation of CAT Funding Model in CAT NMS Plan

Section 11.1(b) of the CAT NMS Plan states that "[t]he Participants shall file with the SEC under Section 19(b) of the Exchange Act any such fees on Industry Members that the Operating Committee approves." Per Section 11.1(b) of the CAT NMS Plan, the Exchange has filed this fee filing to implement the Industry Member CAT fees included in the CAT Funding Model. The Exchange believes that this proposal is consistent with the Exchange Act because it is consistent with, and implements, the CAT Funding Model in the CAT NMS Plan, and is designed to assist the Exchange and its Industry Members in meeting regulatory obligations pursuant to the CAT NMS Plan. In approving the CAT NMS Plan, the SEC noted that the Plan "is necessary and appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanism of a national market system, or is otherwise in furtherance of the purposes of the

¹²⁰ CAT Funding Model Approval Order at 62659.

¹²¹ See Section 11.3(a)(ii) and Appendix B of the CAT NMS Plan.

¹²² 15 U.S.C. 78f(b)(6).

¹²³ 15 U.S.C. 78f(b)(4).

¹²⁴ 15 U.S.C. 78f(b)(8).

¹²⁵ See 15 U.S.C. 78f(b)(1).

¹²⁶ CAT NMS Plan Approval Order at 84697.

Act.”¹²⁷ Similarly, in approving the CAT Funding Model, the SEC concluded that the CAT Funding Model met this standard.¹²⁸ As this proposal implements the Plan and the CAT Funding Model described therein, and applies specific requirements to Industry Members in compliance with the Plan, the Exchange believes that this proposal furthers the objectives of the Plan, as identified by the SEC, and is therefore consistent with the Exchange Act.

(2) Calculation of Fee Rate for CAT Fee 2025–2 is Reasonable

The SEC has determined that the CAT Funding Model is reasonable and satisfies the requirements of the Exchange Act. Specifically, the SEC has concluded that the method for determining CAT Fees as set forth in Section 11.3 of the CAT NMS Plan, including the formula for calculating the Fee Rate, the identification of the parties responsible for payment and the transactions subject to the fee rate for CAT Fees, is reasonable and satisfies the Exchange Act.¹²⁹ In each respect, as discussed above, CAT Fee 2025–2 is calculated, and would be applied, in accordance with the requirements applicable to CAT Fees as set forth in the CAT NMS Plan. Furthermore, as discussed below, the Exchange believes that each of the figures for the variables in the SEC-approved formula for calculating the fee rate for CAT Fee 2025–2 is reasonable and consistent with the Exchange Act. Calculation of Fee Rate 2025–2 for CAT Fee 2025–2 requires the figures for Budgeted CAT Costs 2025–2, the executed equivalent share volume for the prior twelve months, the determination of the CAT Fee 2025–2 Period, and the projection of the executed equivalent share volume for the CAT Fee 2025–2 Period. Each of these variables is reasonable and satisfies the Exchange Act, as discussed throughout this filing.

(A) Budgeted CAT Costs 2025–2

The formula for calculating a Fee Rate requires the amount of Budgeted CAT Costs to be recovered. Specifically, Section 11.3(a)(iii)(B) of the CAT NMS Plan requires a fee filing to provide:

the budget for the upcoming year (or remainder of the year, as applicable), including a brief description of each line item in the budget, including (1) the technology line items of cloud hosting services, operating fees, CAIS operating fees, change request fees, and capitalized

developed technology costs, (2) legal, (3) consulting, (4) insurance, (5) professional and administration, and (6) public relations costs, a reserve and/or such other categories as reasonably determined by the Operating Committee to be included in the budget, and the reason for changes in each such line item from the prior CAT fee filing.

In accordance with this requirement, the Exchange has set forth the amount and type of Budgeted CAT Costs 2025–2 for each of these categories above.

Section 11.3(a)(iii)(B) of the CAT NMS Plan also requires that the fee filing provide “sufficient detail to demonstrate that the budget for the upcoming year, or part of year, as applicable, is reasonable and appropriate.” As discussed below, the Exchange believes that the budget for the CAT Fee 2025–2 Period is “reasonable and appropriate.” Each of the costs included in CAT Fee 2025–2 are reasonable and appropriate because the costs are consistent with standard industry practice, based on the need to comply with the requirements of the CAT NMS Plan, incurred subject to negotiations performed on an arm’s length basis, and/or are consistent with the needs of any legal entity, particularly one with no employees.

(i) Technology: Cloud Hosting Services

In approving the CAT Funding Model, the Commission recognized that it is appropriate to recover budgeted costs related to cloud hosting services as a part of CAT Fees.¹³⁰ CAT LLC determined that the budgeted costs related to cloud hosting services described in this filing are reasonable and should be included as a part of Budgeted CAT Costs 2025–2. As described above, the cloud hosting services costs reflect, among other things, the breadth of the CAT cloud activities, data volumes far in excess of the original volume estimates, the need for specialized cloud services given the volume and unique nature of the CAT, the processing time requirements of the Plan, and regular efforts to seek to minimize costs where permissible under the Plan. CAT LLC determined that use of cloud hosting services is necessary for implementation of the CAT, particularly given the substantial data volumes associated with the CAT, and that the fees for cloud hosting services negotiated by FCAT were reasonable, taking into consideration a variety of factors, including the expected volume of data and the breadth of services provided and market rates for similar

services.¹³¹ Indeed, the actual costs of the CAT are far in excess of the original estimated costs of the CAT due to various factors, including the higher volumes and greater complexity of the CAT than anticipated when Rule 613 was originally adopted.

To comply with the requirements of the Plan, the breadth of the cloud activities related to the CAT is substantial. The cloud services not only include the production environment for the CAT, but they also include two industry testing environments, support environments for quality assurance and stress testing and disaster recovery capabilities. Moreover, the cloud storage costs are driven by the requirements of the Plan, which requires the storage of multiple versions of the data, from the original submitted version of the data through various processing steps, to the final version of the data.

Data volume is a significant driver of costs for cloud hosting services. When the Commission adopted the CAT NMS Plan in 2016, it estimated that the CAT would need to receive 58 billion records per day¹³² and that annual operating costs for the CAT would range from \$36.5 million to \$55 million.¹³³ In contrast to the 2016 projections, the actual daily Q1 2025 data volumes averaged 752 billion events per day.

In addition to the effect of the data volume on the cloud hosting costs, the processing timelines set forth in the Plan contribute to the cloud hosting costs. Although CAT LLC has proactively sought to manage cloud hosting costs while complying with the Plan, including through requests to the Commission for exemptive relief and amendments to the CAT NMS Plan to reduce costs, stringent CAT NMS Plan requirements do not allow for any material flexibility in cloud architecture design choices, processing timelines (e.g., the use of non-peak processing windows), or lower-cost storage tiers. As a result, the required CAT processing timelines contribute to the cloud hosting costs of the CAT.

The costs for cloud hosting services also reflect the need for specialized cloud hosting services given the data volume and unique processing needs of the CAT. The data volume as well as the data processing needs of the CAT necessitate the use of cloud hosting services. The equipment, power and services required for an on-premises data model, the alternative to cloud

¹²⁷ *Id.*

¹²⁸ CAT Funding Model Approval Order at 62686.

¹²⁹ *Id.* at 62662–63.

¹³⁰ Section 11.3(a)(iii)(B)(1) of the CAT NMS Plan.

¹³¹ For a discussion of the amount and type of cloud hosting services fees, see Section 3(a)(2)(C)(i) above.

¹³² Appendix D–4 of the CAT NMS Plan at n.262.

¹³³ CAT NMS Plan Approval Order at 84801.

hosting services, would be cost prohibitive. Moreover, as CAT was being developed, there were limited cloud hosting providers that could satisfy all the necessary CAT requirements, including the operational and security criteria. Over time, more providers offering cloud hosting services that would satisfy these criteria have entered the market. CAT LLC will continue to evaluate alternative cloud hosting services, recognizing that the time and cost to move to an alternative cloud provider would be substantial.

The reasonableness of the cloud hosting services costs is further supported by key cost discipline mechanisms for the CAT—a cost-based funding structure, cost transparency, cost management efforts (including regular efforts to lower compute and storage costs where permitted by the Plan) and oversight. Together, these mechanisms help ensure the ongoing reasonableness of the CAT's costs and the level of fees assessed to support those costs.¹³⁴

(ii) Technology: Operating Fees

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted costs related to operating fees as a part of CAT Fees.¹³⁵ CAT LLC determined that the budgeted costs related to operating fees described in this filing are reasonable and should be included as a part of Budgeted CAT Costs 2025–2.

The operating fees would include the negotiated fees paid by CAT LLC to the Plan Processor to operate and maintain the system for order-related information and to perform business operations related to the system, including compliance, security, testing, training, communications with the industry (e.g., management of the FINRA CAT Helpdesk, FAQs, website and webinars) and program management. CAT LLC determined that the selection of FCAT as the Plan Processor was reasonable and appropriate given its expertise with securities regulatory reporting, after a process of considering other potential candidates.¹³⁶ CAT LLC also determined that the fixed price contract, negotiated on an arm's length basis with the goals of managing costs and receiving services required to comply with the CAT NMS Plan and Rule 613, was reasonable and appropriate, taking into consideration a variety of factors,

including the breadth of services provided and market rates for similar types of activity.¹³⁷ The services to be performed by FCAT for CAT Fee 2025–2 Period and the budgeted costs related to such services are described above.¹³⁸

The operating costs also include costs related to the receipt of market data. CAT LLC anticipates receiving certain market data from Algoseek during the CAT Fee 2025–2 Period. CAT LLC anticipates that Algoseek will provide data as set forth in the SIP Data requirements of the CAT NMS Plan and that the fees are reasonable and in line with market rates for market data received.¹³⁹

(iii) Technology: CAIS Operating Fees

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted costs related to CAIS operating fees as a part of CAT Fees.¹⁴⁰ CAT LLC determined that the budgeted costs related to CAIS operating fees described in this filing are reasonable and should be included as a part of the Budgeted CAT Costs 2025–2. The CAIS operating fees would include the fees paid to the Plan Processor to operate and maintain CAIS and to perform the business operations related to the system, including compliance, security, testing, training, communications with the industry (e.g., management of the FINRA CAT Helpdesk, FAQs, website and webinars) and program management. CAT LLC determined that the fees for FCAT's CAIS-related services, negotiated on an arm's length basis with the goals of managing costs and receiving services required to comply with the CAT NMS Plan, taking into consideration a variety of factors, including the services to be provided and market rates for similar types of activity, are reasonable and appropriate.¹⁴¹ The services to be performed by FCAT for the CAT Fee 2025–2 Period and the budgeted costs for such services are described above.¹⁴²

(iv) Technology: Change Request Fees

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted costs related to change request fees as a part of CAT Fees.¹⁴³ CAT LLC determined that the budgeted costs related to change request fees described in this filing are

reasonable and should be included as a part of the Budgeted CAT Costs 2025–2. It is common practice to utilize a change request process to address evolving needs in technology projects. This is particularly true for a project like CAT that is the first of its kind, both in substance and in scale. The substance and costs of each of the change requests are evaluated by the Operating Committee and approved in accordance with the requirements for Operating Committee meetings. In each case, CAT LLC forecasts that the change requests will be necessary to implement the CAT. As described above,¹⁴⁴ CAT LLC has included a reasonable placeholder budget amount for potential change requests that may arise during 2025. As noted above, the total budgeted costs for change requests during the CAT Fee 2025–2 Period represent a small percentage of the Budgeted CAT Costs 2025–2—that is, less than 1% of Budgeted CAT Costs 2025–2.

(v) Capitalized Developed Technology Costs

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted costs related to capitalized developed technology costs as a part of CAT Fees.¹⁴⁵ In general, capitalized developed technology costs would include costs related to, for example, certain development costs, costs related to certain modifications, upgrades and other changes to the CAT, CAIS implementation fees and license fees. The amount and type of budgeted capitalized developed technology costs for the CAT Fee 2025–2 Period, which relate to the CAIS software license fee and technology changes to be implemented by FCAT, are described in more detail above.¹⁴⁶ Specifically, CAT LLC determined that it was reasonable not to include any capitalized developed technology costs in the Budgeted CAT Costs 2025–2.

(vi) Legal

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted costs related to legal fees as a part of CAT Fees.¹⁴⁷ CAT LLC determined that the budgeted legal costs described in this filing are reasonable and should be included as a part of the Budgeted CAT Costs 2025–2. Given the unique nature of the CAT, the number of parties involved with the CAT (including, for example, the SEC,

¹³⁴ See Securities Exchange Act Rel. No. 97151 (Mar. 15, 2023), 88 FR 17086, 17117 (Mar. 21, 2023) (describing key cost discipline mechanisms for the CAT).

¹³⁵ Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan.

¹³⁶ See Section 3(a)(2)(C)(ii) above.

¹³⁷ *Id.*

¹³⁸ *Id.*

¹³⁹ *Id.*

¹⁴⁰ Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan.

¹⁴¹ See Section 3(a)(2)(C)(iii) above.

¹⁴² *Id.*

¹⁴³ Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan.

¹⁴⁴ See Section 3(a)(2)(C)(iv) above.

¹⁴⁵ Section 11.3(a)(iii)(B)(B)(1) of the CAT NMS Plan.

¹⁴⁶ See Section 3(a)(2)(C)(v) above.

¹⁴⁷ Section 11.3(a)(iii)(B)(B)(2) of the CAT NMS Plan.

Participants, Industry Members, and vendors) and the many regulatory, contractual and other issues associated with the CAT, the scope of the necessary legal services is substantial. CAT LLC determined that the scope of the proposed legal services is necessary to implement and maintain the CAT and that the legal rates reflect the specialized services necessary for such a project. CAT LLC determined to hire and continue to use each law firm based on a variety of factors, including their relevant expertise and fees. In each case, CAT LLC determined that the fee rates were in line with market rates for specialized legal expertise. In addition, CAT LLC determined that the budgeted costs for the legal projects were appropriate given the breadth of the services provided. The services to be performed by each law firm for the CAT Fee 2025–2 Period and the budgeted costs related to such services are described above.¹⁴⁸

(vii) Consulting

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted consulting costs as a part of CAT Fees.¹⁴⁹ CAT LLC determined that the budgeted consulting costs described in this filing are reasonable and should be included as a part of Budgeted CAT Costs 2025–2. Because there are no CAT employees¹⁵⁰ and because of the significant number of issues associated with the CAT, the consultants are budgeted to provide assistance in the management of various CAT matters and the processes related to such matters.¹⁵¹ CAT LLC determined the budgeted consulting costs were appropriate, as the consulting services were to be provided at reasonable market rates that were comparable to the rates charged by other consulting firms for similar work. Moreover, the total budgeted costs for such consulting services were appropriate in light of the breadth of services provided by Deloitte. The services budgeted to be performed by Deloitte and the budgeted costs related to such services are described above.¹⁵²

¹⁴⁸ See Section 3(a)(2)(C)(vi) above.

¹⁴⁹ Section 11.3(a)(iii)(B)(B)(3) of the CAT NMS Plan.

¹⁵⁰ As stated in the filing of the proposed CAT NMS Plan, “[i]t is the intent of the Participants that the Company have no employees.” Securities Exchange Act Rel. No. 77724 (Apr. 27, 2016), 81 FR 30614, 30621 (May 17, 2016).

¹⁵¹ CAT LLC uses certain third parties to perform tasks that may be performed by administrators for other NMS Plans. See, e.g., CTA Plan and CQ Plan.

¹⁵² Section 3(a)(2)(C)(vii) above.

(viii) Insurance

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted insurance costs as a part of CAT Fees.¹⁵³ CAT LLC determined that the budgeted insurance costs described in this filing are reasonable and should be included as a part of the Budgeted CAT Costs 2025–2. CAT LLC determined that it is common practice to have directors’ and officers’ liability insurance, and errors and omissions liability insurance. CAT LLC further determined that it was important to have cyber security insurance given the nature of the CAT, and such a decision is consistent with the CAT NMS Plan, which states that the cyber incident response plan may include “[i]nsurance against security breaches.”¹⁵⁴ As discussed above,¹⁵⁵ CAT LLC determined that the budgeted insurance costs were appropriate given its prior experience with this market and an analysis of the alternative insurance offerings. Based on this analysis, CAT LLC determined that the selected insurance policies provided appropriate coverage at reasonable market rates.¹⁵⁶

(ix) Professional and Administration

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted professional and administration costs as a part of CAT Fees.¹⁵⁷ CAT LLC determined that the budgeted professional and administration costs described in this filing are reasonable and should be included as a part of Budgeted CAT Costs 2025–2. Because there are no CAT employees, all required accounting, financial, tax, cash management and treasury functions for CAT LLC have been outsourced at market rates. In addition, the required annual financial statement audit of CAT LLC is included in professional and administration costs, which costs are also at market rates. The services performed by Anchin and Grant Thornton and the costs related to such services are described above.¹⁵⁸

CAT LLC anticipates continuing to make use of Anchin, a financial advisory firm, to assist with financial matters for the CAT. CAT LLC determined that the budgeted costs for Anchin were appropriate, as the

¹⁵³ Section 11.3(a)(iii)(B)(B)(4) of the CAT NMS Plan.

¹⁵⁴ Appendix D–14 of the CAT NMS Plan.

¹⁵⁵ See Section 3(a)(2)(C)(viii) above.

¹⁵⁶ *Id.*

¹⁵⁷ Section 11.3(a)(iii)(B)(B)(5) of the CAT NMS Plan.

¹⁵⁸ See Section 3(a)(2)(C)(ix) above.

financial advisory services were to be provided at reasonable market rates that were comparable to the rates charged by other such firms for similar work. Moreover, the total budgeted costs for such financial advisory services were appropriate in light of the breadth of services provided by Anchin. The services budgeted to be performed by Anchin and the budgeted costs related to such services are described above.¹⁵⁹

CAT LLC anticipates continuing to make use of Grant Thornton, an independent accounting firm, to complete the audit of CAT LLC’s financial statements, in accordance with the requirements of the CAT NMS Plan. CAT LLC determined that the budgeted costs for Grant Thornton were appropriate, as the accounting services were to be provided at reasonable market rates that were comparable to the rates charged by other such firms for similar work. Moreover, the total budgeted costs for such accounting services were appropriate in light of the breadth of services provided by Grant Thornton. The services budgeted to be performed by Grant Thornton and the budgeted costs related to such services are described above.¹⁶⁰

(x) Public Relations Costs

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted public relations costs as a part of CAT Fees.¹⁶¹ However, as described above,¹⁶² CAT LLC determined not to include any public relations costs in Budgeted CAT Costs 2025–2. CAT LLC determined that it was reasonable not to include any public relations costs in the Budgeted CAT Costs 2025–2.

(xi) Reserve

In approving the CAT Funding Model, the SEC recognized that it is appropriate to recover budgeted reserve costs as a part of CAT Fees.¹⁶³ CAT LLC determined that the reserve in the amount of 25% of the Updated 2025 CAT Budget (other than the reserve) complies with the requirements of the CAT NMS Plan related to a reserve, is a reasonable amount, and, therefore, should be included as a part of the Updated 2025 CAT Budget.

In its approval order for the CAT Funding Model, the Commission stated that it would be reasonable for the annual operating budget for the CAT to

¹⁵⁹ *Id.*

¹⁶⁰ *Id.*

¹⁶¹ Section 11.3(a)(iii)(B)(B)(6) of the CAT NMS Plan.

¹⁶² See Section 3(a)(2)(C)(x) above.

¹⁶³ Section 11.3(a)(iii)(B)(B) of the CAT NMS Plan.

“include a reserve of not more than 25% of the annual budget.”¹⁶⁴ In making this statement, the Commission noted the following:

Because the CAT is a critical regulatory tool/system, the CAT needs to have a stable funding source to build financial stability to support the Company as a going concern. Funding for the CAT, as noted in Section 11.1(b), is the responsibility of the Participants and the industry. Because CAT fees are charged based on the budget, which is based on anticipated volume, it is reasonable to have a reserve on hand to prevent a shortfall in the event there is an unexpectedly high volume in a given year. A reserve would help to assure that the CAT has sufficient resources to cover costs should there be unanticipated costs or costs that are higher than expected.¹⁶⁵

The SEC also recognized that a reserve would help address the difficulty in predicting certain variable CAT costs, like trading volume.¹⁶⁶ The SEC also recognized that CAT fees will be collected approximately three months after trading activity on which a CAT fee is based, or 25% of the year, and that the reserve would be available to address funding needs related to this three-month delay.¹⁶⁷ The inclusion of the proposed reserve in the Updated 2025 CAT Budget would provide each of these benefits to the CAT. The reserve is discussed further above.¹⁶⁸

As discussed further below,¹⁶⁹ however, a surplus reserve balance in excess of the budgeted 25% reserve has been collected through the first quarter of 2025 and has been budgeted to be collected during the second quarter of 2025. Accordingly, the Updated 2025 CAT Budget indicates that this surplus would be used to offset a portion of CAT costs for the third and fourth quarters of 2025, thereby reducing the fee rate for CAT Fee 2025–2 (\$0.000009 per executed equivalent share) as compared to CAT Fee 2025–1 (\$0.000022 per executed equivalent share), and that no additional reserve is budgeted to be collected during the third and fourth quarters of 2025.

(B) Reconciliation of Budget to the Collected Fees

The CAT NMS Plan also requires fee filings for Prospective CAT Fees to include “a discussion of how the budget is reconciled to the collected fees.”¹⁷⁰ As discussed above,¹⁷¹ the Updated

2025 CAT Budget states that CAT LLC had accrued \$70,942,596 for the reserve as of the beginning of 2025, and an additional \$28,846,075 during the first quarter of 2025, from the collection of CAT Fees 2024–1 and 2025–1 and the related Participant CAT Fees. In addition, the Updated 2025 CAT Budget anticipates the collection of an additional \$11,821,477 during the second quarter of 2025 via CAT Fee 2025–1 and the related Participant CAT Fee. Accordingly, the Updated 2025 CAT Budget estimates that CAT LLC would maintain a 25% reserve amount of \$57,083,638 and collect a surplus reserve amount through June 2025 of \$54,526,412 over the 25% reserve amount of \$57,083,638.¹⁷² Such surplus reserve balance of \$54,526,412 would be used to offset a portion of CAT costs for the third and fourth quarters of 2025, thereby reducing the fee rate for CAT Fee 2025–2 (\$0.000009 per executed equivalent share) as compared to CAT Fee 2025–1 (\$0.000022 per executed equivalent share).

(C) Total Executed Equivalent Share Volume for the Prior 12 Months

The total executed equivalent share volume of transactions in Eligible Securities for the period from April 2024 through March 2025 was 4,580,287,680,646.28 executed equivalent shares. CAT LLC determined the total executed equivalent share volume for the prior twelve months by counting executed equivalent shares in the same manner as it counts executed equivalent shares for CAT billing purposes.¹⁷³

(D) Projected Executed Equivalent Share Volume for the CAT Fee 2025–2 Period

CAT LLC has determined that the projected total executed equivalent share volume for the six months of CAT Fee 2025–2 Period by multiplying by one-half the executed equivalent share volume for the prior twelve months: one-half times 4,580,287,680,646.28 executed equivalent shares.¹⁷⁴ CAT LLC determined that such an approach was reasonable as the CAT’s annual executed equivalent share volume has remained relatively constant in recent years. For example, the executed equivalent share volume for 2021 was 3,963,697,612,395, the executed equivalent share volume for 2022 was 4,039,821,841,560.31, the executed equivalent share volume for 2023 was 3,868,940,345,680.6, and the executed

equivalent share volume for 2024 was 4,295,884,600,069.41.

(E) Actual Fee Rate for CAT Fee 2025–2

(i) Decimal Places

As noted in the approval order for the CAT Funding Model, as a practical matter, the fee filing for a CAT Fee would provide the exact fee per executed equivalent share to be paid for each CAT Fee, by multiplying the Fee Rate by one-third and describing the relevant number of decimal places for the fee rate.¹⁷⁵ Accordingly, proposed paragraph (a)(5)(B) of the fee schedule would set forth a fee rate of \$0.000009 per executed equivalent share. This fee rate is calculated by multiplying Fee Rate 2025–2 by one-third and rounding the result to six decimal places. CAT LLC determined that the use of six decimal places is reasonable as it balances the accuracy of the calculation with the potential systems and other impracticalities of using additional decimal places in the calculation.¹⁷⁶

(ii) Reasonable Fee Level

The Exchange believes that charging CAT Fee 2025–2 with a fee rate of \$0.000009 per executed equivalent share is reasonable because it provides for a revenue stream for the Company that is aligned with the Budgeted CAT Costs 2025–2. Moreover, the Exchange believes that the level of the fee rate is reasonable, as it is less than CAT Fee 2025–1 and is comparable to other transaction-based fees. Indeed, CAT Fee 2025–2 is significantly lower than fees previously assessed pursuant to Section 31 (e.g., \$0.0009 per share to \$0.0004 per share),¹⁷⁷ and, as a result, the magnitude of CAT Fee 2025–2 is small, and therefore will mitigate any potential adverse economic effects or inefficiencies.¹⁷⁸

¹⁷⁵ CAT Funding Model Approval Order at 62658, n.658.

¹⁷⁶ See Section 3(a)(5)(A) above.

¹⁷⁷ CAT Funding Model Approval Order at 62663, 62682. In explaining the comparison of Section 31 fees to CAT fees in the CAT Funding Model Approval Order, the SEC noted that “Section 31 fees are expressed per dollar volume traded. Translating this to a per share range involves identifying reasonable high and low trade sizes. The lower end of this range comes from the 25th percentile in \$ trade size of 1,200 and share trade size of 71 from the first quarter of 2021. The higher end of this range comes from the 75th percentile in \$ trade size of 5,200 and share trade size of 300 from the first quarter of 2021. Section 31 fees have ranged from \$5.10 per \$Million to \$23.10 per \$Million from Oct. 1, 2016 to Mar. 1, 2023.” *Id.* at 62682., n.1100. In 2024, Section 31 fees were raised further to \$27.80 per million dollars.

¹⁷⁸ *Id.*

¹⁶⁴ CAT Funding Model Approval Order at 62657.

¹⁶⁵ *Id.*

¹⁶⁶ *Id.*

¹⁶⁷ *Id.*

¹⁶⁸ See Section 3(a)(2)(C)(xi) above.

¹⁶⁹ See Section 3(b)(2)(B) below.

¹⁷⁰ Section 11.3(a)(iii)(B)(C) of the CAT NMS Plan.

¹⁷¹ See Section 3(a)(2)(C)(xi) above.

¹⁷² This calculation is $(\$70,942,596 + \$28,846,075 + \$11,821,477) - \$57,083,638 = \$54,526,412$.

¹⁷³ See Section 3(a)(2)(D) above.

¹⁷⁴ *Id.*

(3) CAT Fee 2025–2 Provides for an Equitable Allocation of Fees

CAT Fee 2025–2 provides for an equitable allocation of fees, as it equitably allocates CAT costs between and among the Participants and Industry Members. The SEC approved the CAT Funding Model, finding that each aspect of the CAT Funding Model satisfied the requirements of the Exchange Act, including the formula for calculating CAT Fees as well as the Industry Members to be charged the CAT Fees.¹⁷⁹ In approving the CAT Funding Model, the SEC stated that “[t]he Participants have sufficiently demonstrated that the proposed allocation of fees is reasonable.”¹⁸⁰ Accordingly, the CAT Funding Model sets forth the requirements for allocating fees related to Budgeted CAT Costs among Participants and Industry Members, and the fee filings for CAT Fees must comply with those requirements.

CAT Fee 2025–2 provides for an equitable allocation of fees as it complies with the requirements regarding the calculation of CAT Fees as set forth in the CAT NMS Plan. For example, as described above, the calculation of CAT Fee 2025–2 complies with the formula set forth in Section 11.3(a) of the CAT NMS Plan. In addition, CAT Fee 2025–2 would be charged to CEBBs and CEBs in accordance with Section 11.3(a) of the CAT NMS Plan. Furthermore, the Participants would be charged for their designated share of the Budgeted CAT Costs 2025–2 through a fee implemented via the CAT NMS Plan, which would have the same fee rate as CAT Fee 2025–2.

In addition, as discussed above, each of the inputs into the calculation of CAT Fee 2025–2—the Budgeted CAT Costs 2025–2, the count for the executed equivalent share volume for the prior 12 months, and the projected executed equivalent share volume for the CAT Fee 2025–2 Period—are reasonable. Moreover, these inputs lead to a reasonable fee rate for CAT Fee 2025–2 that is lower than other fee rates for transaction-based fees. A reasonable fee rate allocated in accordance with the requirements of the CAT Funding Model provides for an equitable allocation of fees.

(4) CAT Fee 2025–2 Is Not Unfairly Discriminatory

CAT Fee 2025–2 is not an unfairly discriminatory fee. The SEC approved the CAT Funding Model, finding that

each aspect of the CAT Funding Model satisfies the requirements of the Exchange Act. In reaching this conclusion, the SEC analyzed the potential effect of CAT Fees calculated pursuant to the CAT Funding Model on affected categories of market participants, including Participants (including exchanges and FINRA), Industry Members (including subcategories of Industry Members, such as alternative trading systems, CAT Executing Brokers and market makers), and investors generally, and considered market effects related to equities and options, among other things. CAT Fee 2025–2 complies with the requirements regarding the calculation of CAT Fees as set forth in the CAT NMS Plan. In addition, as discussed above, each of the inputs into the calculation of CAT Fee 2025–2 and the resulting fee rate for CAT Fee 2025–2 is reasonable. Therefore, CAT Fee 2025–2 does not impose an unfairly discriminatory fee on Industry Members.

The Exchange believes the proposed fees established pursuant to the CAT Funding Model promote just and equitable principles of trade, and, in general, protect investors and the public interest, and are provided in a transparent manner and with specificity in the fee schedule. The Exchange also believes that the proposed fees are reasonable because they would provide ease of calculation, ease of billing and other administrative functions, and predictability of a fee based on fixed rate per executed equivalent share. Such factors are crucial to estimating a reliable revenue stream for CAT LLC and for permitting Exchange members to reasonably predict their payment obligations for budgeting purposes.

B. Self-Regulatory Organization's Statement on Burden on Competition

Section 6(b)(8) of the Act¹⁸¹ requires that the Exchange's rules not impose any burden on competition that is not necessary or appropriate in furtherance of the purpose of the Exchange Act. The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange notes that CAT Fee 2025–2 implements provisions of the CAT NMS Plan that were approved by the Commission and is designed to assist the Exchange in meeting its regulatory obligations pursuant to the Plan.

In addition, all Participants (including exchanges and FINRA) are proposing to introduce CAT Fee 2025–2 on behalf of

CAT LLC to implement the requirements of the CAT NMS Plan. Therefore, this is not a competitive fee filing, and, therefore, it does not raise competition issues between and among the Participants.

Furthermore, in approving the CAT Funding Model, the SEC analyzed the potential competitive impact of the CAT Funding Model, including competitive issues related to market services, trading services and regulatory services, efficiency concerns, and capital formation.¹⁸² The SEC also analyzed the potential effect of CAT fees calculated pursuant to the CAT Funding Model on affected categories of market participants, including Participants (including exchanges and FINRA), Industry Members (including subcategories of Industry Members, such as alternative trading systems, CAT Executing Brokers and market makers), and investors generally, and considered market effects related to equities and options, among other things. Based on this analysis, the SEC approved the CAT Funding Model as compliant with the Exchange Act. CAT Fee 2025–2 is calculated and implemented in accordance with the CAT Funding Model as approved by the SEC.

As discussed above, each of the inputs into the calculation of CAT Fee 2025–2 is reasonable and the resulting fee rate for CAT Fee 2025–2 calculated in accordance with the CAT Funding Model is reasonable. Therefore, CAT Fee 2025–2 would not impose any burden on competition that is not necessary or appropriate in furtherance of the purpose of the Exchange Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Not applicable.

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 Act¹⁸³ and paragraph (f)(2) of Rule 19b–4 thereunder.¹⁸⁴ 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

¹⁷⁹ See Section 11.3(a) of the CAT NMS Plan.

¹⁸⁰ CAT Funding Model Approval Order at 62629.

¹⁸¹ 15 U.S.C. 78f(b)(8).

¹⁸² CAT Funding Model Approval Order at 62676–86.

¹⁸³ 15 U.S.C. 78s(b)(3)(A).

¹⁸⁴ 17 CFR 240.19b–4(f)(2).

purposes of the Act. If the Commission takes such action, the Commission shall 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. Please include file number SR-MEMX-2025-20 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-MEMX-2025-20. 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-MEMX-2025-20 and should be submitted on or before July 29, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁸⁵

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025-12616 Filed 7-7-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-0382]

Proposed Collection; Comment Request; Extension: Schedule 14D-9F—Canadian Securities

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 ("OMB") for extension and approval.

Schedule 14D-9F (17 CFR 240.14d-103) under the Securities Exchange Act of 1934 (15 U.S.C. 78 *et seq.*) is used by foreign private issuers incorporated or organized under the laws of Canada or any Canadian province or territory or by any director or officer of such issuer, where the issuer is the subject of a cash tender or exchange offer for a class of securities filed on Schedule 14D-1F (17 CFR 240.14d-102). Schedule 14D-9F provides investors in the securities of Canadian foreign private issuers with the filer's recommended response to a tender offer, informing the investment decisions of securityholders, while reducing expense and increasing efficiency in connection with tender offer filings with the Commission by providing that disclosure required under Canadian law is a key aspect of the information required on Schedule 14D-9F. We estimate that Schedule 14D-9F carries a collection of information burden of approximately two hours per response and is filed by approximately one respondent annually for a total annual reporting burden of two hours (2 hours per response × 1 response annually). There is no separate cost burden associated with this information collection.

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 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.

Please direct your written comments on this 60-Day Collection Notice to Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Tanya Ruttenberg via email to PaperworkReductionAct@sec.gov by September 8, 2025. There will be a second opportunity to comment on this Commission request following the **Federal Register** publishing a 30-Day Submission Notice.

Dated: July 2, 2025.

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025-12615 Filed 7-7-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103375; File No. SR-MEMX-2025-19]

Self-Regulatory Organizations; MEMX LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend and Restate the Exchange's Second Amended and Restated Limited Liability Company Agreement as the Third Amended and Restated Limited Liability Company Agreement

July 2, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that, on June 23, 2025, MEMX LLC ("MEMX" or the "Exchange") filed with the Securities and Exchange Commission (the "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"

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

¹⁸⁵ 17 CFR 200.30-3(a)(12).

proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b-4(f)(6) thereunder.⁴ 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 is filing with the Commission a proposed rule change to amend and restate the Exchange's Second Amended and Restated Limited Liability Company Agreement (the "Second Amended LLC Agreement") as the Third Amended and Restated Limited Liability Company Agreement (the "Third Amended LLC Agreement") to reflect certain amendments, as further described below. The text of the proposed rule change is provided in Exhibit 5 and is available on the Exchange's website at <https://info.memxtrading.com/regulation/rules-and-filings/>.

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 and restate the Exchange LLC Agreement to modify the requirements of who may serve as a Nominating Committee member, as discussed below.

Currently, the Exchange LLC Agreement provides that the Board shall be comprised of natural Persons (each such Person, a "Director") who shall be nominated on an annual basis by the Nominating Committee, and Section 8.7(a) provides that, among other requirements, all Nominating Committee members shall be Independent Directors. As set forth in Section 1.1, an "Independent Director" is defined as a Director who has no

material relationship with the Company or any Affiliate of the Company, or any Exchange Member or any Affiliate of any such Exchange Member; provided, however, that an individual who otherwise qualifies as an Independent Director shall not be disqualified from serving in such capacity solely because such Director is a Director of the Company or Holdco.⁵

The Exchange is proposing to modify this provision under 8.7(a) to state that all Nominating Committee members shall be Independent Committee Members. Also as set forth in Section 1.1, an "Independent Committee Member" is defined as a member of any Committee who has no material relationship with the Company or any Affiliate of the Company, or any Exchange Member or any Affiliate of any such Exchange Member, other than as member of such Committee. The term "Independent Committee Member" may but is not required to refer to an Independent Director who serves on a Committee; provided, however, that an individual who otherwise qualifies as an Independent Committee Member shall not be disqualified from serving in such capacity solely because such individual is an Independent Director of the Company or, if applicable, an independent director of Holdco.

The purpose of the proposed change is to provide the Exchange flexibility to allow individuals who meet the definition of Independent Committee Members, but not necessarily Independent Directors, to serve on the Nominating Committee. The Exchange notes that the definition of an Independent Committee Member may, but is not required to, refer to an Independent Director, and as such, the Nominating Committee may be comprised solely of Independent Directors under the language of the proposed change, however, the Exchange wishes to modify the language in order to expand the universe of individuals that may serve on the Nominating Committee to include Independent Committee Members, which may not be Directors. The Exchange notes that this modification would make the structure of the Nominating Committee consistent with that of its affiliate Exchange, MX2, LLC ("MX2"), pursuant to Section 8.7 of the First Amended and Restated Limited Liability Company Agreement of MX2.

The Exchange is not proposing to modify any other provisions of the

Exchange LLC Agreement related to the composition of the Nominating Committee under Section 8.7(a)⁶ or the process by which the Nominating Committee is elected,⁷ and as a practical matter, no changes to the current Nominating Committee are contemplated by this rule change.

Further, MEMX has reviewed the rules of other U.S. securities exchanges and noted that certain other exchanges do not require Nominating Committee members to be Directors.⁸

2. Statutory Basis

The Exchange believes that the proposed amendment to the Exchange LLC Agreement is consistent with Section 6(b) of the Act,⁹ in general, and furthers the objectives of Section 6(b)(1) of the Act,¹⁰ in particular, in that such amendment enables the Exchange to be

⁶ Section 8.7(a) otherwise provides that the number of Non-Industry Committee Members on the Nominating Committee shall equal or exceed the number of Industry Committee or Panel Members on the Nominating Committee, and that a Nominating Committee member may simultaneously serve on the Nominating Committee and the Board.

⁷ Section 8.7(a) provides that the Nominating Committee and the Member Nominating Committee shall each be elected on an annual basis by vote of Holdco. Holdco shall appoint the initial Nominating Committee and Member Nominating Committee consistent with the compositional requirements of Section 7.3(b). In each subsequent year, each of the Nominating Committee and Member Nominating Committee, after completion of its respective duties for nominating Directors for election to the Board for that year, shall nominate candidates to serve on the succeeding year's Nominating Committee or Member Nominating Committee, as applicable, such candidates to be elected by Holdco at the annual meeting of the Company Members (in case of any vacancy occurring on a Nominating Committee or Member Nominating Committee during a calendar year, the remaining members of the Nominating Committee or Member Nominating Committee, as applicable, shall nominate a candidate to fill such vacancy and such candidate shall be elected by Holdco in accordance with Section 6.4). Additional candidates for the Member Nominating Committee may be nominated and elected pursuant to the same process as provided for in Section 7.4.

⁸ See the By-Laws of BOX Exchange LLC, Section 4.06, which provides that "... Nominating Committee members need not be Directors." See also the Amended and Restated By-Laws of MIA Pearl, LLC, Section 5.2, which provides that "... A Nominating Committee member may not simultaneously serve on the Nominating Committee and the Board, unless such member is in his or her final year of service on the Board, and following that year, that member may not stand for election to the Board until such time as he or she is no longer a member of the Nominating Committee. No more than one (1) member of the Nominating Committee shall be a current Director, and such Director shall be a Non-Industry Director." See also the By-Laws of Nasdaq PHILX, LLC, Section 5-3, which provides that "... no more than three of the Nominating Committee members and no more than two of the Industry members shall be current Directors."

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(1).

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4.

⁵ MEMX Holdings LLC (i.e. "Holdco") is the parent company of the Exchange and directly or indirectly owns all of the limited liability company membership interests in the Exchange.

so organized as to have the capacity to be able to carry out the purposes of the Act and to comply with the provisions of the Act, the rules and regulations thereunder, and the rules of the Exchange. The Exchange also believes that the proposed amendment is consistent with Section 6(b)(5) of the Act,¹¹ which requires the rules of an exchange to be designed to promote just and equitable principles of trade, 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.

The Exchange believes that amending which individuals may serve on the Nominating Committee is consistent with the Act as this will provide a broader base of potential candidates to serve on the Nominating Committee and aligns with the governance framework of the Exchange's affiliate, MX2. In other words, as MX2 does, allowing members of the Nominating Committee to be Independent Committee Members, rather than Independent Directors, allows both Directors and non-Directors to serve on the Nominating Committee. Thus, the Exchange does not believe this change will affect the Exchange's ability to be organized as to have the capacity to carry out the purposes of the Act and to comply with the provisions of the Act, the rules and regulations thereunder, and the rules of the Exchange, promoting just and equitable principles of trade, removing impediments to and perfect the mechanism of a free and open market, and protecting investors and the public interest. Further, the Exchange believes the proposed change to the Exchange LLC Agreement is consistent with, and will not interfere with, the self-regulatory obligations of the Exchange. The Exchange notes that it is not proposing to amend any provisions within the Exchange LLC Agreement dealing with the availability or protection of information, books and records, undue influence, conflicts of interest, unfair control by an affiliate, or regulatory independence of the Exchange.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposal will impose any burden on competition that is not necessary or appropriate in furtherance of the

purposes of the Act. The proposal is not intended to address competitive issues but rather is concerned solely with the type of individuals that may serve on the Nominating Committee, as described above.

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)(iii)¹² of the Act and Rule 19b-4(f)(6) thereunder¹³ in that it 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.

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:

¹² 15 U.S.C. 78s(b)(3)(A)(iii).

¹³ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) 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.

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. Please include file number SR-MEMX-2025-19 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-MEMX-2025-19. 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-MEMX-2025-19 and should be submitted on or before July 29, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

J. Matthew DeLesDernier,
Deputy Secretary.

[FR Doc. 2025-12635 Filed 7-7-25; 8:45 am]

BILLING CODE 8011-01-P

¹⁴ 17 CFR 200.30-3(a)(12).

¹¹ 15 U.S.C. 78f(b)(5).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103373; File No. SR–FINRA–2025–010]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend FINRA Rule 6897(b) (CAT Cost Recovery Fees) To Implement a Cost Recovery Fee Related to Reasonably Budgeted Costs of the National Market System Plan Governing the Consolidated Audit Trail for the Period From July 1, 2025 Through December 31, 2025

July 2, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b–4 thereunder,² notice is hereby given that on June 25, 2025, the Financial Industry Regulatory Authority, Inc. (“FINRA”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as “establishing or changing a due, fee or other charge” under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b–4(f)(2) thereunder,⁴ which renders the proposal effective upon receipt of this filing by the Commission. 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

FINRA is proposing to amend FINRA Rule 6897(b) (CAT Cost Recovery Fees) to implement a Consolidated Audit Trail (“CAT”) cost recovery fee designed to permit FINRA to recoup its designated portion of the reasonably budgeted CAT costs of the National Market System Plan Governing the Consolidated Audit Trail (the “CAT NMS Plan” or “Plan”) for the period July 1, 2025 through December 31, 2025.⁵

The text of the proposed rule change is available on FINRA’s website at <https://www.finra.org>, at the principal office of FINRA 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, FINRA 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. FINRA 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

Background

On July 11, 2012, the Commission adopted Rule 613 of Regulation NMS, which required the self-regulatory organizations to submit a national market system (“NMS”) plan to create, implement and maintain a consolidated audit trail that would capture customer and order event information for orders in NMS securities across all markets, from the time of order inception through routing, cancellation, modification, or execution.⁶ On November 15, 2016, the Commission approved the CAT NMS Plan.⁷ Under the CAT NMS Plan, the Operating Committee has the discretion to establish funding for Consolidated Audit Trail, LLC (“CAT LLC”) to operate the CAT, including establishing fees for Industry Members to be assessed by CAT LLC that would be implemented on behalf of CAT LLC by the Participants.⁸ The Operating Committee adopted a revised funding model to fund the CAT (“CAT Funding Model”) and, on September 6, 2023, the Commission approved the CAT Funding Model after concluding that the model was reasonable and that it satisfied the requirements of Section 11A of the Exchange Act and Rule 608 thereunder.⁹

Plan and FINRA Rule 6800 Series (Consolidated Audit Trail Compliance Rule).

⁶ See Securities Exchange Act Release No. 67457 (July 18, 2012), 77 FR 45722 (August 1, 2012).

⁷ See Securities Exchange Act Release No. 79318 (November 15, 2016), 81 FR 84696 (November 23, 2016) (“CAT NMS Plan Approval Order”).

⁸ See Section 11.1(b) of the CAT NMS Plan.

⁹ See Securities Exchange Act Release No. 98290 (September 6, 2023), 88 FR 62628 (September 12, 2023) (“CAT Funding Model Approval Order”).

The CAT Funding Model provides a framework for the recovery of the costs to create, develop, and maintain the CAT, including providing a method for allocating costs to fund the CAT among Participants and Industry Members. The CAT Funding Model establishes two categories of fees: (1) CAT fees assessed by CAT LLC and payable by certain Industry Members to recover a portion of historical CAT costs previously paid by the Participants;¹⁰ and (2) CAT fees assessed by CAT LLC and payable by Participants and Industry Members to fund Prospective CAT Costs, *i.e.*, costs not previously paid by the Participants.¹¹

With respect to CAT fees implemented to fund Prospective CAT Costs, the CAT Operating Committee has established CAT Fee 2025–2 to implement fees payable by Industry Members to recover the reasonably budgeted Prospective CAT Costs for the period July 1, 2025 through December 31, 2025 (“Budgeted CAT Costs 2025–2”).¹² Consistent with the Plan, the Operating Committee has also established fees payable to CAT LLC by the Participants to collect the Participants’ designated portion of Budgeted CAT Costs 2025–2.¹³ Participants would only be required to pay such fees once CAT Fee 2025–2 is in effect with regard to Industry Members in accordance with Section 19(b) of the Exchange Act.¹⁴

In light of the filing of File No. SR–FINRA–2025–009, which implements CAT Fee 2025–2 with regard to Industry Members, FINRA is filing the instant proposed rule change to establish a fee

¹⁰ See Section 11.3(b) of the CAT NMS Plan.

¹¹ See Section 11.3(a) of the CAT NMS Plan.

¹² As detailed in File No. SR–FINRA–2025–009, CAT Fee 2025–2 would replace CAT Fee 2025–1 and is designed to recover reasonably Budgeted CAT Costs 2025–2 for the period July 1, 2025 through December 31, 2025. Budgeted CAT Costs 2025–2 would be \$60,726,412. Industry Members would be collectively responsible for two-thirds of those costs or \$40,484,274.66, and Participants would be collectively responsible for one-third or \$20,242,137.33. See also Sections 11.3(a)(ii)(A) and 11.3(a)(iii)(A) of the CAT NMS Plan.

¹³ See Section 11.3(a)(ii) and Appendix B of the CAT NMS Plan; see also CAT Funding Model Approval Order, 88 FR 62628, 62660 (“The CAT Fees charged to Participants would be implemented through an approval of the CAT Fees by the Operating Committee and not through a plan amendment submitted each time the Fee Rate changes, while CAT Fees charged to Industry Members may only become effective in accordance with the requirements of Section 19(b) of the Exchange Act.”).

¹⁴ See Section 11.3(a)(ii)(B) of the CAT NMS Plan; see also CAT Funding Model Approval Order, 88 FR 62628, 62660 (“The Commission also believes it is reasonable that proposed Section 11.3(a)(ii)(B) provides that the Participants would be required to pay CAT Fees only when Industry Members are required to pay CAT Fees.”).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b–4(f)(2).

⁵ Pursuant to Section 11.3(a) of the CAT NMS Plan, FINRA filed a separate proposed rule change to establish fees assessed to Industry Members, payable to Consolidated Audit Trail, LLC, related to the recovery of the reasonably budgeted CAT costs for the period of July 1, 2025 through December 31, 2025. See File No. SR–FINRA–2025–009. Unless otherwise specified, capitalized terms used in this rule filing are defined as set forth in the CAT NMS

that would allow FINRA to recover the monthly fees it is required to pay to CAT LLC towards Budgeted CAT Costs 2025–2 (“Prospective CAT Cost Recovery Fee 2025–2”).¹⁵ In the Approval Order, the Commission acknowledged that “the Exchange Act expressly contemplates the ability of the Participants to recoup their costs to fulfill their statutory obligations under the Exchange Act.”¹⁶ The Commission also noted FINRA’s statement “that it would file a rule change to increase its member fees with the filing of any proposed rule change to effectuate the Funding Model.”¹⁷

FINRA’s Designated Portion of Budgeted CAT Costs 2025–2

As discussed in File No. SR–FINRA–2025–009, the Operating Committee has established CAT Fee 2025–2, payable to CAT LLC by Industry Members, to recover two-thirds of the \$60,726,412 in Budgeted CAT Costs 2025–2 over the July 1, 2025 through December 31, 2025 period, or \$40,484,274.66.¹⁸

¹⁵ FINRA previously has implemented a recovery fee to recoup monthly fees it is required to pay to CAT LLC towards prospective CAT costs—specifically, Prospective CAT Cost Recovery Fee 2025–1. See Rule 6897(b)(1)(C) and (D); see also Securities Exchange Act Release No. 100920 (September 4, 2024), 89 FR 73457 (September 10, 2024) (Notice of Filing and Immediate Effectiveness of File No. SR–FINRA–2024–014) and Securities Exchange Act Release No. 102062 (December 31, 2024), 90 FR 703 (January 6, 2025) (Notice of Filing and Immediate Effectiveness of File No. SR–FINRA–2024–024).

¹⁶ CAT Funding Model Approval Order, 88 FR 62628, 62636–37.

¹⁷ FINRA has consistently made clear its intention to file a rule change to implement member CAT fees simultaneous with the filing of any proposed rule change to effectuate the CAT Funding Model. See Letter from Marcia E. Asquith, Corporate Secretary, EVP, Board and External Relations, FINRA, to Vanessa Countryman, Secretary, Commission, dated April 11, 2023 (“FINRA April 2023 Letter”) at 7 (“If the Funding Model is approved by the Commission, FINRA intends to file a rule change to increase member fees simultaneous with the filing of any proposed rule change to effectuate the Funding Model.”); see also Letter from Marcia E. Asquith, Corporate Secretary, EVP, Board and External Relations, FINRA, to Vanessa Countryman, Secretary, Commission, dated June 22, 2022 (“FINRA June 2022 Letter”) at 6 (“[G]iven FINRA’s unique nature, FINRA necessarily must seek recovery in turn for the costs it is allocated.”). FINRA also requested that, if the Commission were to approve the CAT Funding Model, it acknowledges “FINRA’s need and ability to cover CAT costs that are not recovered through contractual arrangements through member fee increases, so as not to jeopardize FINRA’s ability to carry out its critical regulatory mission.” See CAT Funding Model Approval Order, 88 FR 62628, 62645.

¹⁸ Consistent with Section 11.3(a)(iii)(B) of the CAT NMS Plan, Budgeted CAT Costs 2025–2 include reasonably budgeted (1) technology line items (including cloud hosting services, operating fees, CAIS operating fees, change request fees, and capitalized developed technology costs), (2) legal fees, (3) consulting fees, (4) insurance, (5)

The Operating Committee further determined that the fee rate for CAT Fee 2025–2 is \$0.00002651641828376661 per executed equivalent share,¹⁹ and, under the CAT Funding Model, each of the CAT Executing Broker for the Buyer (“CEBB”), the CAT Executing Broker for the Seller (“CEBS”), and the relevant Participant for a given transaction in an Eligible Security would be responsible for one-third of that rate, or \$0.000009 per executed equivalent share.²⁰ Consequently, CEBBs collectively, CEBSs collectively, and the Participants collectively will each be responsible for \$20,242,137.33, which is one-third of Budgeted CAT Costs 2025–2 during the July 1, 2025 through December 31, 2025 period.²¹ As provided for in File No. SR–FINRA–2025–009, CAT Fee 2025–2 has been established to recoup Budgeted CAT Costs 2025–2 based on an updated 2025 CAT Budget which includes actual costs for each category for the months of January through March 2025, and estimated costs for the remainder of 2025.²²

For the twelve months from April 1, 2024, through March 31, 2025, the average monthly executed equivalent share volume in Eligible Securities where FINRA was the relevant Participant (*i.e.*, off-exchange transactions) was approximately 135 billion shares. Assuming similar monthly executed equivalent share volume for off-exchange transactions in Eligible Securities from July 1, 2025 through December 31, 2025, for this

professional and administration expenses, (6) public relations costs, and (7) a reserve. A detailed description (including the amounts) of all such costs budgeted during the July 1, 2025 through December 31, 2025 period is provided in File No. SR–FINRA–2025–009.

¹⁹ In approving the CAT Funding Model, the Commission concluded that “the use of executed equivalent share volume as the basis of the proposed cost allocation methodology is reasonable and consistent with the approach taken by the funding principles of the CAT NMS Plan.” See CAT Funding Model Approval Order, 88 FR 62628, 62640. Under the CAT NMS Plan, executed equivalent shares in a transaction in Eligible Securities are reasonably counted as follows: (1) each executed share for a transaction in NMS Stocks will be counted as one executed equivalent share; (2) each executed contract for a transaction in Listed Options will be counted based on the multiplier applicable to the specific Listed Options (*i.e.*, 100 executed equivalent shares or such other applicable multiplier); and (3) each executed share for a transaction in OTC Equity Securities shall be counted as 0.01 executed equivalent share. See Section 11.3(a)(i)(B) and 11.3(b)(i)(B) of the CAT NMS Plan.

²⁰ Dividing \$0.00002651641828376661 by three and rounding to six decimal places equals \$0.000009.

²¹ See File No. SR–FINRA–2025–009.

²² See CAT LLC Revised 2025 Financial and Operating Budget, https://www.catnmsplan.com/sites/default/files/2025-05/05.19.25-CAT-LLC-2025-Financial_and_Operating-Budget.pdf.

period, FINRA would be responsible for paying approximately \$1,211,400 per month and approximately \$7,268,400 in total to CAT LLC toward the Participants’ \$20,242,137 designated portion of Budgeted CAT Costs 2025–2 (or approximately 36% of the Participants’ designated portion of Budgeted CAT Costs 2025–2 from July 1, 2025 through December 31, 2025).

FINRA’s recovery of its designated portion of Budgeted CAT Costs 2025–2 is reasonable and consistent with the Exchange Act. As discussed herein and in File No. SR–FINRA–2025–009, Budgeted CAT Costs 2025–2 are reasonable, appropriate and necessary for the creation, implementation, and maintenance of the CAT. In addition, the portion of Budgeted CAT Costs 2025–2 designated to FINRA has been established under the SEC-approved CAT Funding Model.²³ As stated by FINRA and permitted under the Exchange Act, FINRA will seek to recover its designated portion of the Participants’ share of CAT costs to ensure that FINRA can fulfill its regulatory mandate and responsibilities.²⁴

Prospective CAT Cost Recovery Fee 2025–2

FINRA is proposing to amend Rule 6897(b) (CAT Cost Recovery Fees) to implement Prospective CAT Cost Recovery Fee 2025–2 to allow FINRA to recover its designated portion of Budgeted CAT Costs 2025–2.²⁵ FINRA intends that the fee framework for the Prospective CAT Cost Recovery Fee 2025–2 would generally correspond to the framework put in place by CAT LLC with respect to CAT Fee 2025–2, as provided for in File No. SR–FINRA–2025–009. FINRA also intends that the timing and commencement of payment for Prospective CAT Cost Recovery Fee 2025–2 would correspond with that established by CAT LLC with respect to CAT Fee 2025–2, as provided for in File No. SR–FINRA–2025–009. Thus, as with CAT Fee 2025–2, FINRA proposes that each member CAT Executing Broker shall receive its first invoice for Prospective CAT Cost Recovery Fee 2025–2 in August 2025, setting forth fees calculated based on July 2025 transactions in Eligible Securities

²³ Detailed information regarding Budgeted CAT Costs 2025–2 is discussed in SR–FINRA–2025–009.

²⁴ See *supra* note 17.

²⁵ In approving the CAT Funding Model, the Commission noted that it “believe[d] that FINRA’s allocation of CAT fees likely will be passed through to Industry Members.” See CAT Funding Model Approval Order, 88 FR 62628, 62684.

executed otherwise than on an exchange, as reflected in CAT Data.

The following fields of the Participant Technical Specifications indicate the CAT Executing Brokers for transactions

executed otherwise than on an exchange.²⁶

TRF/ORF/ADF TRANSACTION DATA EVENT²⁷

No.	Field name	Data type	Description	Include key
26	reportingExecuting-Mpid.	Member Alias	MPID of the executing party	R
28	contraExecutingMpid	Member Alias	MPID of the contra-side executing party.	C

As discussed in File No. SR-FINRA-2025-009, consistent with the CAT Funding Model, in implementing CAT Fee 2025-2, the Operating Committee has determined that each of the CEBB, CEBS and relevant Participant for a given transaction in an Eligible Security would be assessed a fee of \$0.000009 per executed equivalent share. In line with this approach, FINRA proposes that the amount assessed on CEBBs and CEBSs under Prospective CAT Cost Recovery Fee 2025-2 would generally take the approach of equally apportioning the fee rate that is assessed to FINRA under CAT Fee 2025-2 between each of the CEBB and CEBS for transactions where FINRA is the relevant Participant. To maintain consistency with CAT LLC's use of six decimal places, FINRA's Prospective CAT Cost Recovery Fee is also limited to six decimal places. Because CAT Fee 2025-2 ends in an odd number—*i.e.*, \$0.000009, halving the rate would have resulted in a Prospective CAT Cost Recovery Fee rate of \$0.0000045, which is seven decimal places. To achieve a Prospective CAT Cost Recovery Fee rate of no more than six decimal places, FINRA is rounding up the CAT Fee

2025-2 rate of \$0.000009 to \$0.000010 and dividing it by two, resulting in a Prospective CAT Cost Recovery Fee 2025-2 of \$0.000005. Therefore, pursuant to this approach, each member CEBB and CEBS would pay a Prospective CAT Cost Recovery Fee of \$0.000005 per executed equivalent share for each transaction in Eligible Securities executed otherwise than on an exchange and FINRA would fully recover the amount assessed on FINRA under CAT Fee 2025-2.²⁸ Based on historical executed equivalent share volumes in Eligible Securities where FINRA was the relevant Participant, FINRA would expect to recoup approximately \$1,346,000 per month during the time that Prospective CAT Cost Recovery Fee 2025-2 is in effect. FINRA anticipates that this approach will result in an overcollection of approximately \$807,600 during the July 1, 2025 through December 31, 2025 period.²⁹

FINRA proposes to adopt Rule 6897(b)(1)(E) (Prospective CAT Cost Recovery Fee 2025-2) to implement Prospective CAT Cost Recovery Fee 2025-2. Proposed Rule 6897(b)(1)(E)(i) would provide that each member CAT

Executing Broker shall receive its first invoice from FINRA in August 2025, setting forth the Prospective CAT Cost Recovery Fee 2025-2 fees calculated based on transactions in July 2025, and shall receive an invoice for Prospective CAT Cost Recovery Fee 2025-2 from FINRA for each month thereafter until January 2026. As provided in proposed Rule 6897(b)(1)(E)(ii), FINRA shall provide each member CAT Executing Broker with an invoice for Prospective CAT Cost Recovery Fee 2025-2 on a monthly basis (which shall be separate from the invoice provide by CAT LLC with respect to CAT Fee 2025-2). Each monthly invoice provided by FINRA shall set forth a fee for each transaction in Eligible Securities executed by the CAT Executing Broker in its capacity as the CEBB and/or the CEBS (as applicable) otherwise than on an exchange from the prior month as set forth in CAT Data. The fee assessed to each CEBB and CEBS for each such transaction will be calculated by multiplying the number of executed equivalent shares in the transaction by the Prospective CAT Cost Recovery Fee 2025-2 fee rate of \$0.000005 per executed equivalent share.

²⁶ As per Section 1.1 of the Plan, for a transaction in an Eligible Security executed otherwise than on an exchange and required to be reported to an equity trade reporting facility of a registered national securities association, *i.e.*, one of FINRA's Trade Reporting Facilities (each a "TRF"), OTC Reporting Facility ("ORF") or Alternative Display Facility ("ADF"), the CEBB and CEBS are the Industry Members identified as the executing broker and the contra-side executing broker in the TRF/ORF/ADF transaction data event in CAT Data. In those circumstances where there is a non-Industry Member identified as the contra-side executing broker in the TRF/ORF/ADF transaction data event or no contra-side executing broker is identified in the TRF/ORF/ADF transaction data event, then the Industry Member identified as the executing broker in the TRF/ORF/ADF transaction data event would be treated as, and be required to pay the fee assessed to, both the CEBB and CEBS.

²⁷ See Table 61, Section 6.1 (TRF/ORF/ADF Transaction Data Event) of the CAT Reporting Technical Specifications for Plan Participants.

²⁸ In a prior Prospective CAT Cost Recovery Fee filing, FINRA noted that it would be incurring a shortfall of approximately \$400,000 during the September 1, 2024 through December 31, 2024 period as a result of truncating, rather than

rounding up, a previous fee rate that ended in an odd number. At that time, FINRA stated that it would not seek to recover the \$400,000 shortfall incurred in that period, but stated that FINRA intends to "avoid a similar shortfall from occurring with respect to future fee recovery past December 2024 (*e.g.*, by rounding up the last digit instead of truncating, or another means of addressing this issue)." See Securities Exchange Act Release No. 100920 (September 4, 2024), 89 FR 73457, 73459 n.31 (September 10, 2024) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2024-012).

²⁹ To address any overcollection from Prospective CAT Cost Recovery Fee 2025-2 during the July 1, 2025 to December 31, 2025 period, FINRA intends to determine the immediately following Prospective CAT Cost Recovery Fee by rounding down the applicable CAT Fee rate to the next even number at the sixth decimal place—*e.g.*, if the next CAT Fee rate is \$0.000014, FINRA will round it down to \$0.000012 and then divide the result by two to establish a Prospective CAT Cost Recovery Fee of \$0.000006. Similarly, if the next CAT Fee rate is \$0.000009, FINRA will round it down to \$0.000008 and then divide the result by two to establish a Prospective CAT Cost Recovery Fee of \$0.000004. Establishing a Prospective CAT Cost Recovery Fee

by rounding down the applicable CAT Fee rate is expected to result in FINRA under collecting from CEBB and CEBS pursuant to the Prospective CAT Cost Recovery Fee for that period (as compared to the amount that FINRA would be assessed by CAT LLC on a monthly basis under the CAT fee for the same period). Establishing a Prospective CAT Cost Recovery Fee by rounding up the applicable CAT Fee rate is expected to result in FINRA over collecting from CEBB and CEBS pursuant to the Prospective CAT Cost Recovery Fee for that period (as compared to the amount that FINRA would be assessed by CAT LLC on a monthly basis under the CAT fee for the same period). On a going forward basis, FINRA intends to establish a Prospective CAT Cost Recovery Fees by alternately rounding up and rounding down the applicable CAT Fee rate to the next even number at the sixth decimal place, and then dividing the result by two. FINRA believes that this method represents a reasonable approach to addressing the inability to establish a Prospective CAT Cost Recovery Fee in all cases by evenly dividing the CAT fee rate by two (due to the six decimal place limitation). Each future fee rate, including any determinations to round up or down, would be subject to a proposed rule change filed pursuant to Section 19(b) of the Exchange Act and Rule 19b-4 thereunder.

Further, as provided in proposed Rule 6897(b)(1)(E)(iii), notwithstanding the last invoice date of January 2026 for Prospective CAT Cost Recovery Fee 2025–2 in Rule 6897(b)(1)(E)(i), Prospective CAT Cost Recovery Fee 2025–2 shall continue in effect after January 2026, with each CAT Executing Broker receiving an invoice for Prospective CAT Cost Recovery Fee 2025–2 each month, until a new subsequent Prospective CAT Cost Recovery Fee is in effect with regard to members in accordance with Section 19(b) of the Exchange Act.³⁰ Proposed paragraph (b)(1)(E)(iii) of Rule 6897 also states that FINRA will provide notice when Prospective CAT Cost Recovery Fee 2025–2 will no longer be in effect. Proposed Rule 6897(b)(1)(E)(iv) provides that each member CAT Executing Broker shall be required to pay each invoice for Prospective CAT Cost Recovery Fee 2025–2 as set forth in Rule 6897(b)(2).

Beginning with the initial invoice for Prospective CAT Cost Recovery Fee 2025–2 in August 2025, FINRA will make available to each member CAT Executing Broker a copy of the relevant details for fee liable transactions executed each month otherwise than on an exchange. Similar to the information that would be provided by CAT LLC to CAT Executing Brokers in assessing the off-exchange portion of CAT Fee 2025–2 each month,³¹ such information would provide member CAT Executing Brokers with the ability to understand the details regarding the calculation of their Prospective CAT Cost Recovery Fee 2025–2 fees. In addition, to provide transparency to the industry, FINRA will make publicly available on its website: (i) the total amount invoiced each month that Prospective CAT Cost Recovery Fee 2025–2 is in effect, (ii) the total amount invoiced for Prospective CAT Cost Recovery Fee 2025–2 for all months since its commencement, (iii) the total amount that FINRA is invoiced each month by CAT LLC in connection with CAT Fee 2025–2, (iv) the total amount that FINRA has been invoiced

for CAT Fee 2025–2 for all months since its commencement, and (v) the variance, both on a monthly and cumulative basis, between the amount invoiced by FINRA under Prospective CAT Cost Recovery 2025–2 and the amount FINRA is invoiced under CAT Fee 2025–2.

FINRA has filed the proposed rule change for immediate effectiveness. The effective date and the implementation date will be the date of filing.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,³² which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest; and must not be designed to permit unfair discrimination between customers, issuers, brokers or dealers. FINRA also believes that the proposed rule change is consistent with the provisions of Section 15A(b)(5) of the Act,³³ which requires, among other things, that FINRA rules provide for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system that FINRA operates or controls. FINRA further believes that the proposed rule change is consistent with the provisions of Section 15A(b)(9) of the Act,³⁴ which requires that FINRA rules not impose any burden on competition that is not necessary or appropriate in furtherance of the purpose of the Exchange Act. Section 15A(b)(2) of the Act also requires that FINRA be “so organized and [have] the capacity to be able to carry out the purposes” of the Act and “to comply, and . . . to enforce compliance by its members, and persons associated with its members,” with the provisions of the Exchange Act.³⁵

FINRA believes that this proposed rule change is consistent with the Act because it is designed to assist FINRA in meeting regulatory obligations pursuant to the Plan. In approving the Plan, the SEC noted that the Plan “is necessary and appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanism of a national market system, or is otherwise in

furtherance of the purposes of the Act.”³⁶ To the extent that this proposed rule change implements a requirement that facilitates FINRA’s achievement of its regulatory obligations under the Plan and applies specific requirements to FINRA members in this regard, FINRA believes that this proposed rule change furthers the objectives of the Plan, as identified by the SEC, and is therefore consistent with the Act.

As discussed in detail in File No. SR–FINRA–2025–009, FINRA believes that the proposed fees paid by the CEBBs and CEBs in connection with CAT Fee 2025–2 are reasonable, equitably allocated and not unfairly discriminatory. Prospective CAT Cost Recovery Fee 2025–2 would similarly allow FINRA to recover costs related to CAT Fee 2025–2 from member CAT Executing Brokers in a fair and reasonable manner, as contemplated by the Exchange Act and consistent with the CAT Funding Model Approval Order.

Proposed Prospective CAT Cost Recovery Fee 2025–2 would be charged to member CAT Executing Brokers in support of the maintenance of a consolidated audit trail for regulatory purposes. The proposed fees, therefore, are consistent with the Commission’s view that regulatory fees be used for regulatory purposes. The proposed fees would not cover FINRA costs unrelated to the CAT. Accordingly, FINRA believes that the proposed fees are reasonable, equitable and not unfairly discriminatory.

The reasonableness of Prospective CAT Cost Recovery Fee 2025–2 and its consistency with the Exchange Act likewise is grounded in the facts described above and detailed in File No. SR–FINRA–2025–009. Specifically, the reasonably budgeted expenses that compose the portion of Budgeted CAT Costs 2025–2 sought to be recovered through Prospective CAT Cost Recovery Fee 2025–2 were recognized by the SEC as appropriate for recovery pursuant to the formula approved in the CAT Funding Model (*i.e.*, technology, legal, consulting, insurance, professional administration, and public relations costs). FINRA has determined that these costs, which are described in detail in File No. SR–FINRA–2025–009, are reasonable and it is appropriate that FINRA recover its designated portion of such costs through Prospective CAT Cost Recovery Fee 2025–2. FINRA also has determined that Prospective CAT Cost Recovery Fee 2025–2 provides for the equitable allocation of fees among

³⁰ As noted in File No. SR–FINRA–2025–009, CAT Fee 2025–2 would continue in effect after December 2025 until a new subsequent CAT Fee to collect the Industry Members’ designated portion of Budgeted CAT Costs is in effect, in accordance with Section 19(b) of the Exchange Act. While CAT Fee 2025–2 remains in effect for Industry Members, the Participants would continue to be assessed a monthly fee based on that same fee rate, *i.e.*, \$0.000009 per executed equivalent share. Likewise, unless amended, Prospective CAT Cost Recovery Fee 2025–2 also would remain in effect to allow FINRA to continue to recoup funds in connection with its monthly payment obligations under CAT Fee 2025–2, until a new CAT Fee is established by the Operating Committee.

³¹ See File No. SR–FINRA–2025–009.

³² 15 U.S.C. 78o–3(b)(6).

³³ 15 U.S.C. 78o–3(b)(5).

³⁴ 15 U.S.C. 78o–3(b)(9).

³⁵ See 15 U.S.C. 78o–3(b)(2).

³⁶ CAT NMS Plan Approval Order, 81 FR 84696, 84697.

FINRA members and is not unfairly discriminatory, as discussed herein.

Prospective CAT Cost Recovery Fee 2025–2 is designed to allow FINRA to recover its designated portion of Budgeted CAT Costs 2025–2, consistent with the Exchange Act and the CAT Funding Model Approval Order.³⁷ In approving the CAT Funding Model, the Commission noted FINRA's request that it acknowledge "FINRA's need and ability to cover CAT costs that are not recovered through contractual arrangements through member fee increases, so as not to jeopardize FINRA's ability to carry out its critical regulatory mission."³⁸ The Commission also recognized that "the Exchange Act expressly contemplates the ability of the Participants to recoup their costs to fulfill their statutory obligations under the Exchange Act."³⁹ The Commission further noted FINRA's statement "that it would file a rule change to increase its member fees with the filing of any proposed rule change to effectuate the Funding Model."⁴⁰ The instant proposed rule change to adopt Prospective CAT Cost Recovery Fee 2025–2 represents such a fee with respect to Budgeted CAT Costs 2025–2.⁴¹

Without a mechanism to recover its CAT costs, FINRA, which is unique among the Participants as a not-for-profit, national securities association, would not be able to effectively sustain its regulatory mission.⁴² Thus, consistent with the cost allocation framework put in place by the SEC-approved CAT Funding Model, whereby CEBBs and CEBSS share equal responsibility for the costs assessed directly to Industry Members based on their transactions in Eligible Securities, FINRA is seeking to recoup its designated portion of Budgeted CAT Costs 2025–2 in a like manner that is fair, reasonable, and equitably allocated among FINRA's member firms in their capacity as CAT Executing Brokers.

Prospective CAT Cost Recovery Fee 2025–2 is designed to recover FINRA's designated portion of budgeted CAT costs to be incurred by CAT LLC associated with the development, implementation, and operation of the CAT system under the CAT NMS Plan. Thus, Prospective CAT Cost Recovery Fee 2025–2 also generally is designed to support FINRA's efforts to align its

operating expenses with its operating revenues, target break-even cash flows over time, and continue to responsibly manage expenses driven by mandatory initiatives, like the CAT NMS Plan, in a manner consistent with FINRA's public Financial Guiding Principles.⁴³

FINRA's approach in determining Prospective CAT Cost Recovery Fee 2025–2, which generally is consistent with the approach provided for under the SEC-approved CAT Funding Model, is also reasonable and consistent with the Exchange Act. Specifically, similar to the CAT cost assessment methodology approved by the Commission, FINRA proposes to allocate equally among member CEBBs and CEBSS FINRA's designated portion of the Participants' one-third share of Budgeted CAT Costs 2025–2.⁴⁴ FINRA proposes to determine the rate for Prospective CAT Cost Recovery Fee 2025–2 by rounding up the CAT Fee 2025–2 rate of \$0.000009 to \$0.000010 per executed equivalent share and dividing it by two so that member CEBBs and CEBSS would each be subject to an equal fee, *i.e.*, \$0.000005 per executed equivalent share, for each transaction in Eligible Securities executed otherwise than on an exchange. Therefore, for each month that Prospective CAT Cost Recovery Fee 2025–2 is in effect, member CEBBs and CEBSS will pay a fee to FINRA based on the same transactions used to determine fees payable by CEBBs and CEBSS to CAT LLC under CAT Fee 2025–2 for off-exchange transactions.⁴⁵ FINRA

⁴³ See FINRA's Financial Guiding Principles, https://www.finra.org/sites/default/files/finra_financial_guiding_principles_0.pdf. See also Securities Exchange Act Release No. 90176 (October 14, 2020), 85 FR 66592, 66602–03 (October 20, 2020) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2020-032).

⁴⁴ In its approval of the CAT Funding Model, the Commission determined that charging CAT fees to CAT Executing Brokers was reasonable. In reaching this conclusion the Commission noted that the use of CAT Executing Brokers is appropriate because the CAT Funding Model is based upon the calculation of executed equivalent shares, and, therefore, charging CAT Executing Brokers would reflect their executing role in each transaction. Furthermore, the Commission noted that, because CAT Executing Brokers are already identified in transaction reports from FINRA's equity trade reporting facilities recorded in CAT Data, charging CAT Executing Brokers could streamline the billing process. See CAT Funding Model Approval Order, 88 FR 62628, 62629.

⁴⁵ While Prospective CAT Cost Recovery Fee 2025–2 is expected to result in FINRA incurring a surplus from CEBB and CEBSS pursuant to the Prospective CAT Cost Recovery Fee for the period as compared to the amount that FINRA would be assessed by CAT LLC on a monthly basis under the CAT fee for the same period, FINRA intends to establish future Prospective CAT Cost Recovery Fees by alternately rounding up and rounding down the applicable CAT Fee rate to the next even number at the sixth decimal place, and then dividing the result by two. See *supra* note 29.

believes that this approach is reasonable in that, as is the case with the SEC-approved CAT Funding Model, it apportions the assessed fee for members equally between the CAT Executing Broker for the buyer and the seller.⁴⁶

B. Self-Regulatory Organization's Statement on Burden on Competition

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Section 15A(b)(9) of the Act⁴⁷ requires that FINRA's rules not impose any burden on competition that is not necessary or appropriate in furtherance of the purpose of the Exchange Act. FINRA notes that Prospective CAT Cost Recovery Fee 2025–2 is designed to assist FINRA in meeting its regulatory obligations pursuant to the Plan.

Furthermore, in approving the CAT Funding Model, the SEC analyzed the potential competitive impact of the CAT Funding Model, including competitive issues related to market services, trading services and regulatory services, efficiency concerns, and capital formation.⁴⁸ The SEC also analyzed the potential effect of CAT fees calculated pursuant to the CAT Funding Model on affected categories of market participants, including Participants (including exchanges and FINRA), Industry Members (including subcategories of Industry Members, such as alternative trading systems, CAT Executing Brokers and market makers), and investors generally, and considered market effects related to equities and options, among other things.⁴⁹ Based on this analysis, the SEC approved the CAT Funding Model as compliant with the Exchange Act. The Prospective CAT Cost Recovery Fee 2025–2 framework generally is consistent with the fee framework of the CAT Funding Model, as approved by the SEC.

As discussed in File No. SR-FINRA-2025-009, each of the inputs into the calculation of CAT Fee 2025–2 is reasonable and the resulting fee rate for CAT Fee 2025–2 is reasonable. Therefore, Prospective CAT Cost Recovery Fee 2025–2, for these same reasons, is reasonable and would not impose any burden on competition that is not necessary or appropriate in furtherance of the purpose of the Exchange Act.

⁴⁶ See *supra* note 44.

⁴⁷ 15 U.S.C. 78o-3(b)(9).

⁴⁸ See CAT Funding Model Approval Order, 88 FR 62628, 62678–86.

⁴⁹ See *supra* note 48.

³⁷ See *supra* note 17.

³⁸ See CAT Funding Model Approval Order, 88 FR 62628, 62645.

³⁹ See CAT Funding Model Approval Order, 88 FR 62628, 62636.

⁴⁰ See *supra* note 38.

⁴¹ See *supra* note 15.

⁴² See *supra* note 17.

Economic Impact Assessment

Based on the regulatory need discussed above, FINRA has undertaken an economic impact assessment, as set forth below, to analyze the potential economic impacts of the proposed rule change, including potential costs, benefits, and distributional and competitive effects, relative to the current baseline.

Regulatory Need

As discussed above under the “FINRA’s Designated Portion of Budgeted CAT Costs 2025–2” section, FINRA is filing a proposed rule change to establish Prospective CAT Cost Recovery Fee 2025–2 to recover its designated portion of the Participants’ share of Budgeted CAT Costs 2025–2.⁵⁰ FINRA intends that the fee framework and timeline for Prospective CAT Cost Recovery Fee 2025–2 generally correspond to the fee framework and timeline put in place by CAT LLC with respect to CAT Fee 2025–2, as provided for in File No. SR–FINRA–2025–009 and as discussed above.

Economic Baseline

As discussed above under the “FINRA’s Designated Portion of Budgeted CAT Costs 2025–2” section, FINRA arrived at the fee rate for Prospective CAT Cost Recovery Fee 2025–2 by rounding up the CAT Fee 2025–2 of \$0.000009 to \$0.000010 per executed equivalent share, and dividing it by two, resulting in a Prospective CAT Cost Recovery Fee 2025–2 of \$0.000005.

For the twelve months from April 1, 2024, through March 31, 2025, based on transactions reported to a FINRA TRF or to the ORF, there were 979 firm MPIDs that executed at least one purchase or sale of an equivalent share of an Eligible Security.⁵¹ The top 50 MPIDs by reported executed equivalent share volume bought and/or sold 2,746,858,365,979 equivalent shares, or 86.22% of total shares bought and/or sold.

Economic Impacts

FINRA’s proposal to recover its designated portion of the Participants’

share of Prospective CAT Costs generally is consistent with the CAT Funding Model in that, for relevant transactions, FINRA would apply to each of the CEBB and CEBS a Prospective CAT Cost Recovery Fee rate that equals the fee rate that is assessed to FINRA under CAT Fee 2025–2 rounded up to the next even number at the sixth decimal place and divided by two.⁵² With regard to off-exchange transactions in Eligible Securities, generally the same members that will be assessed Prospective CAT Cost Recovery Fee 2025–2 will also be assessed CAT Fee 2025–2. Therefore, FINRA’s proposed approach in recovering its designated portion of Budgeted CAT Costs 2025–2 should reduce potential complexity in connection with the fee and billing structure for Prospective CAT Cost Recovery Fee 2025–2.⁵³

As the SEC noted in approving the revised CAT Funding Model, if FINRA passes on its portion of the CAT fee allocation to its member firms and exchanges choose not to pass through their CAT fee allocations to their members, the cost to transact off-exchange may increase relative to executing on an exchange, potentially giving exchanges a competitive advantage.⁵⁴ However, FINRA does not know whether or to what extent (or how) the exchanges may seek to recover their portion of the Budgeted CAT Costs 2025–2, and FINRA does not know whether or to what extent member firms will choose to pass through exchange-incurred CAT fees to customers. FINRA also notes that FINRA members remain subject to regulatory obligations, such as best execution obligations, with respect to their order routing decisions.

C. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments were neither solicited nor received.

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 Act⁵⁵ and paragraph (f)(2) of Rule 19b–4 thereunder.⁵⁶ 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 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. Please include file number SR–FINRA–2025–010 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–FINRA–2025–010. 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 FINRA. 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

⁵⁰ See also File No. SR–FINRA–2025–009.

⁵¹ For the twelve months from April 1, 2024 through March 31, 2025, approximately 1.61 trillion shares of NMS stocks were reported to the TRF, and approximately 0.95 trillion shares of OTC Equity Securities were reported to ORF. Given that each executed share for a transaction in an OTC Equity Security is counted as 0.01 equivalent share, FINRA estimates that the executed equivalent share volume for NMS stocks and OTC Equity Securities reported to a FINRA equity trade reporting facility in that twelve-month period is approximately 1.62 trillion shares. Dividing that figure by twelve provides the average monthly executed equivalent share volume of approximately 134.6 billion shares.

⁵² See also File No. SR–FINRA–2025–009 and CAT Funding Model Approval Order, 88 FR 62628.

⁵³ See *supra* notes 28 through 29 and accompanying text.

⁵⁴ See CAT Funding Model Approval Order, 88 FR 62628, 62684.

⁵⁵ 15 U.S.C. 78s(b)(3)(A).

⁵⁶ 17 CFR 240.19b–4(f)(2).

subject to copyright protection. All submissions should refer to file number SR–FINRA–2025–010 and should be submitted on or before July 29, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁵⁷

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025–12614 Filed 7–7–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235–0378]

Proposed Collection; Comment Request; Extension: Form F–8–Registration Statement

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 (“OMB”) for extension and approval.

Form F–8 (17 CFR 239.38) may be used by certain Canadian issuers for registration under the Securities Act of 1933 (15 U.S.C. 77a *et seq.*) (“Securities Act”) in connection with exchange offers and certain business combinations. Form F–8 provides investors with information important to investment decision making while also promoting capital formation by reducing the cost and increasing the efficiency of Securities Act registration in connection with exchange offers and business combination transactions, which may encourage Canadian issuers to extend exchange offers and business combinations to U.S. securityholders. We estimate that Form F–8 takes approximately one hour per response to prepare and is filed by approximately one respondent annually. We estimate that 25% of the collection of information burden is carried by the issuer. For total paperwork burden hours, where our calculations produced a number less than one, we have used an estimate of one for total burden hours. We estimate a total annual reporting burden of one hour (.25 hours

× 1 response annually = .25 hours, rounded to 1 hour). We estimate that 75% of the one hour per response (.75 hours) is carried by outside professionals retained by the issuer at an estimated cost of \$600 per hour, for a total annual cost burden of \$450 (.75 hours per response × \$600 per hour × 1 response annually).

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 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.

Please direct your written comments on this 60-Day Collection Notice to Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Tanya Ruttenberg via email to PaperworkReductionAct@sec.gov by September 8, 2025. There will be a second opportunity to comment on this SEC request following the **Federal Register** publishing a 30-Day Submission Notice.

Dated: July 2, 2025.

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025–12619 Filed 7–7–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103376; File No. SR–MIAX–2025–27]

Self-Regulatory Organizations: Notice of Filing of a Proposed Rule Change by Miami International Securities Exchange, LLC To Amend Certain of the Exchange’s Index Options Rules To Allow the Exchange To List and Trade Options on Micro Narrow-Based Indexes

July 2, 2025.

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) ¹ and Rule 19b–4

thereunder,² notice is hereby given that on June 25, 2025, Miami International Securities Exchange, LLC (“MIAX” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a 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.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend certain of the Exchange’s Index Options Rules (Chapter XVIII) to: (1) adopt a new classification of narrow-based indexes, classified as “micro narrow-based” indexes; (2) establish the initial listing standards and maintenance standards for micro narrow-based indexes; and (3) adopt rules regarding position limits and exercise limits for micro narrow-based index options.

The text of the proposed rule change is available on the Exchange’s website at <https://www.miaxglobal.com/markets/us-options/all-options-exchanges/rule-filings>, at MIAX’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 adopt rules to allow the Exchange to list and trade options on micro narrow-based indexes. The proposed rules include the definition of a micro narrow-based index, listing and maintenance criteria for a micro narrow-based index, and position limits and exercise limits for micro narrow-based index options. All of the proposed rules and changes to

⁵⁷ 17 CFR 200.30–3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

existing Exchange Rules are based on the existing rules of other options exchanges. The proposed rule change is intended to expand the Exchange's capacity to introduce and trade new and innovative index option products on the Exchange System.³

Proposed Definition of Micro Narrow-Based Index

The Exchange proposes to amend Exchange Rule 1801(m) to add the definition of micro narrow-based index. The proposed definition of "micro narrow-based index" is an industry or narrow-based index that meets the specific criteria provided under proposed Exchange Rule 1802(f). The Exchange notes that other exchanges have the same definition of micro narrow-based index.⁴ In addition, the Exchange proposes to make conforming changes to the hierarchical headings in Exchange Rule 1801. Specifically, subparagraphs (m)–(t) will be renumbered as (n)–(u). The purpose of the proposed changes is to provide consistency and clarity in the Rulebook regarding the definitions that are applicable to index options.

Proposed Micro Narrow-Based Index Initial Listing Criteria

Proposed Exchange Rule 1802(f) will describe the initial listing standards for a micro narrow-based index on which options may be traded on the Exchange. Pursuant to proposed Exchange Rule 1802(f), the Exchange may trade options on a micro narrow-based index pursuant to 19b–4(e) of the Act,⁵ if each of the following conditions is satisfied:

- (1) The index is a security index:
- (i) that has nine or fewer component securities;
- (ii) in which a component security comprises more than 30% of the index's weighting;
- (iii) in which the five highest weighted component securities in the aggregate comprise more than 60% of the index's weighting; or
- (iv) in which the lowest weighted component securities comprising, in the aggregate, 25% of the index's weighting have an aggregate dollar value of average daily trading volume of less than \$50,000,000 (or in the case of an index with 15 or more component securities, \$30,000,000) except that if there are two or more securities with

equal weighting that could be included in the calculation of the lowest weighted component securities comprising, in the aggregate, 25% of the index's weighting, such securities shall be ranked from lowest to highest dollar value of average daily trading volume and shall be included in the calculation based on their ranking starting with the lowest ranked security;

(2) The index is capitalization-weighted, modified capitalization-weighted, price-weighted, share weighted, equal dollar-weighted, approximate equal-dollar weighted, or modified equal-dollar weighted;

(i) For the purposes of this Exchange Rule 1802(f), an approximate equal-dollar weighted index is composed of one or more securities in which each component security will be weighted equally based on its market price on the index's selection date and the index must be reconstituted and rebalanced if the notional value of the largest component is at least twice the notional volume of the smallest component for 50% or more of the trading days in the three months prior to December 31 of each year. For purposes of this provision the "notional value" is the market price of the component times the number of shares of the underlying component in the index. Reconstitution and rebalancing are also mandatory if the number of components in the index is greater than five at the time of rebalancing. The Exchange reserves the right to rebalance quarterly at its discretion.

(ii) For the purposes of this Exchange Rule 1802(f), a modified equal-dollar weighted index is an index in which each underlying component represents a pre-determined weighting percentage of the entire index. Each component is assigned a weight that takes into account the relative market capitalization of the securities comprising the index. A modified equal-dollar weighted index will be balanced quarterly.

(iii) For the purposes of this Exchange Rule 1802(f), a share-weighted index is calculated by multiplying the price of the component security by an adjustment factor. Adjustment factors are chosen to reflect the investment objective deemed appropriate by the designer of the index and will be published by the Exchange as part of the contract specifications. The value of the index is calculated by adding the weight of each component security and dividing the total by an index divisor, calculated to yield a benchmark index level as of a particular date. A share-weighted index is not adjusted to reflect changes in the number of outstanding

shares of its components. A share-weighted micro narrow-based index will not be re-balanced. If a share-weighted micro narrow-based index fails to meet the maintenance listing standards under Exchange Rule 1802(g), the Exchange will restrict trading in existing option series to closing transactions and will not issue additional series for that index.

(iv) The Exchange may rebalance any micro narrow-based index on an interim basis if warranted as a result of extraordinary changes in the relative values of the component securities. To the extent investors with open positions must rely upon the continuity of the options contract on the index, outstanding contracts are unaffected by rebalancings.

(3) Each component security in the index has a minimum market capitalization of at least \$75 million, except that each of the lowest weighted securities in the index that in the aggregate account for no more than 10% of the weight of the index may have a minimum market capitalization of only \$50 million;

(4) The average daily trading volume in each of the preceding six months for each component security in the index is at least 45,500 shares, except that each of the lowest weighted component securities in the index that in the aggregate account for no more than 10% of the weight of the index may have an average daily trading volume of only 22,750 shares for each of the last six months;

(5) In a capitalization-weighted index, the lesser of: (i) the five highest weighted component securities in the index each have had an average daily trading volume of at least 90,000 shares over the past six months; or (ii) the highest weighted component securities in the index that in the aggregate represent at least 30% of the total number of component securities in the index each have had an average daily trading volume of at least 90,000 shares over the past six months;

(6) Subject to subparagraphs (4) and (5) above, the component securities that account for at least 90% of the total index weight and at least 80% of the total number of component securities in the index must meet the requirements of Exchange Rule 402 applicable to individual underlying securities;

(7) (i) Each component security in the index is an "NMS Security" as defined in Rule 600 of Regulation NMS under the Exchange Act; and

(ii) Foreign securities or ADRs that are not subject to comprehensive surveillance sharing agreements do not

³ The term "System" means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

⁴ See e.g., Cboe Exchange, Inc. ("Cboe") Rule 4.11, available at https://cdn.cboe.com/resources/regulation/rule_book/C1_Exchange_Rule_Book.pdf (last visited June 9, 2025).

⁵ 17 CFR 242.19b–4(e).

represent more than 20% of the weight of the index;

(8) The current underlying index value will be reported at least once every 15 seconds during the time the index options are traded on the Exchange;

(9) An equal dollar-weighted index will be rebalanced at least once every quarter;

(10) If the underlying index is maintained by a broker-dealer, the index is calculated by a third party who is not a broker-dealer, and the broker-dealer has in place an information barrier around its personnel who have access to information concerning changes in and adjustments to the index;

(11) Each component security in the index is registered pursuant to Section 12 of the Exchange Act; and

(12) Cash settled index options are designated as A.M.-settled options.

The above initial listing standards are substantively similar as the initial listing standards currently in place on other exchanges.⁶

The Exchange also proposes to make conforming changes to Exchange Rule 1802(a) to add a cross reference to proposed new subparagraph (f) to the exceptions to the rule filing requirement applicable to the listing of a class of index option provided under Section 19(b) of the Act. Currently, Exchange Rule 1802(a) provides that except as set forth in subparagraph (b) and (d), which refer to initial listing standards for narrow-based indexes and broad-based indexes, the listing of a class of index options requires a proposed rule change to be approved by the Securities and Exchange Commission (the “Commission”) under Section 19(b) of the Exchange Act. Since the Exchange proposes to adopt rules to allow the Exchange to list and trade options on micro narrow-based indexes, in addition to narrow-based indexes and broad-based indexes, the Exchange proposes to amend Exchange Rule 1802(a) to add a cross reference to proposed new subparagraph (f) (Micro Narrow-Based Index Initial Listing Criteria) to the exceptions to the rule filing requirement applicable to the listing of a class of index options pursuant to Section 19(b) of the Act. This is to allow the Exchange to trade options on micro narrow-based indexes pursuant to Rule 19b-4(e) of the Act, without filing of a proposed rule change to be approved by the

Commission, if each of the initial listing standards is satisfied.

Proposed Micro Narrow-Based Index Maintenance Listing Criteria

In addition to the initial listing standards, certain maintenance listing standards, listed below, will apply to each class of index options originally listed pursuant to proposed Exchange Rule 1802(f). Specifically, in order for an index to remain listed on the Exchange, pursuant to proposed Exchange Rule 1802(g), the following maintenance listing standards shall be satisfied:

(1) The index meets the criteria of subparagraph (f)(1) of this Rule;

(2) Subject to subparagraphs (g)(9) and (10) below, the component securities that account for at least 90% of the total index weight and at least 80% of the total number of component securities in the index must meet the requirements of Exchange Rule 402;

(3) Each component security in the index has a market capitalization of at least \$75 million, except that each of the lowest weighted component securities that in the aggregate account for no more than 10% of the weight of the index may have a market capitalization of only \$50 million;

(4) Each component security in the index is an “NMS Security” as defined in Rule 600 of Regulation NMS under the Exchange Act;

(5) Foreign securities or ADRs thereon that are not subject to comprehensive surveillance sharing agreements do not represent more than 20% of the weight of the index;

(6) The current underlying index value will be reported at least once every 15 seconds during the time the index options are traded on the Exchange;

(7) If the underlying index is maintained by a broker-dealer, the index is calculated by a third party who is not a broker-dealer, and the broker-dealer has in place an information barrier around its personnel who have access to information concerning changes in and adjustments to the index;

(8) The total number of component securities in the index may not increase or decrease by more than 33⅓% from the number of component securities in the index at the time of its initial listing;

(9) Trading volume of each component security in the index must be at least 500,000 shares for each of the last six months, except that for each of the lowest weighted component securities in the index that in the aggregate account for no more than 10% of the weight of the index, trading

volume must be at least 400,000 shares for each of the last six months;

(10) In a capitalization-weighted index and a modified capitalization weighted index, the lesser of the five highest weighted component securities in the index or the highest weighted component securities in the index that in the aggregate represent at least 30% of the total number of stocks in the index each have had an average monthly trading volume of at least 1,000,000 shares over the past six months;

(11) Each component security in the index is registered pursuant to Section 12 of the Exchange Act;

(12) In an approximate equal-dollar weighted index, the index must be reconstituted and rebalanced if the notional value of the largest component is at least twice the notional volume of the smallest component for 50% or more of the trading days in the three months prior to December 31 of each year. For purposes of this provision the “notional value” is the market price of the component times the number of shares of the underlying component in the index. Reconstitution and rebalancing are also mandatory if the number of components in the index is greater than five at the time of rebalancing. The Exchange reserves the right to rebalance quarterly at its discretion;

(13) In a modified equal-dollar weighted index the Exchange will rebalance the index quarterly;

(14) In a share-weighted index, if a share-weighted micro narrow-based index fails to meet the maintenance listing standards under Exchange Rule 1802(g), the Exchange will not rebalance the index, will restrict trading in existing option series to closing transactions, and will not issue additional series for that index; and

(15) In the event a class of index options listed on the Exchange fails to satisfy the maintenance listing standards set forth herein, the Exchange shall not open for trading any additional series of options of that class unless such failure is determined by the Exchange not to be significant and the Commission concurs in that determination, or unless the continued listing of that class of index options has been approved by the Commission under Section 19(b)(2) of the Exchange Act.

The proposed maintenance listing standards are substantively similar to

⁶ See e.g., Cboe Rule 4.10(c), available at https://cdn.cboe.com/resources/regulation/rule_book/C1_Exchange_Rule_Book.pdf (last visited June 9, 2025); see also MEMX Rule 29.6(d), available at <https://info.memxtrading.com/wp-content/uploads/2025/05/MEMX-Rulebook-5.14.25-clean.pdf> (last visited June 9, 2025).

the maintenance standards currently in place on other exchanges.⁷

The Exchange believes that the requirements in the proposed listing standards regarding, among other things, the minimum market capitalization, trading volume, and relative weightings of an underlying index's component stocks are designed to ensure that the markets for the index's component stocks are adequately capitalized and sufficiently liquid, and that no one stock dominates the index. The Exchange believes that these requirements minimize the potential for manipulating the underlying index.

The Exchange further believes that the requirement in proposed Exchange Rule 1802(f)(8) that the current underlying index value will be reported at least once every 15 seconds during the time the index options are traded on the Exchange, and the requirement in proposed Exchange Rule 1802(g)(6) that the current underlying index value will be reported at least once every 15 seconds during the time the index options are traded on the Exchange should provide transparency with respect to current index values and contribute to the transparency of the market for micro narrow-based index options. In addition, the Exchange believes that the requirement in proposed Exchange Rule 1802(f)(12) that cash settled index options are designated as A.M.-settled, rather than on closing prices, should help to reduce the potential impact of expiring index options on the market for the index's component securities.

Proposed Position Limits for Micro Narrow-Based Index Options

The Exchange proposes to adopt Exchange Rule 1805B relating to position limits for micro narrow-based index options by incorporating by referencing the applicable rules of Cboe. Specifically, proposed Exchange Rule 1805B(a) states that Members⁸ shall comply with the applicable rules of the Cboe with respect to position limits for micro-narrow based index options traded on the Exchange and also on Cboe, or with the applicable rules of the Exchange for industry index options

traded on the Exchange but not traded on Cboe.⁹ Proposed Exchange Rule 1805B(b) states that index options contracts shall not be aggregated with options contracts on any stocks whose prices are the basis for calculation of the index. Proposed Exchange Rule 1805B(c) states that positions in reduced-value index options shall be aggregated with positions in full-value index options. For such purposes, ten (10) reduced-value options shall equal one (1) full-value contract. The Exchange notes that other options exchanges have substantively similar rules relating to position limits for micro narrow-based index options.¹⁰

The Exchange proposes to incorporate by reference as MIAAX rules certain rules of the Cboe. Specifically, MIAAX Rule 1805B proposes to incorporate by reference the applicable rules of Cboe with respect to position limits for micro narrow-based index options traded on the Exchange and also on Cboe. Thus, if approved, for certain MIAAX rules, Members will comply with the MIAAX rules by complying with the Cboe rules referenced. Using its authority under Section 36 of the Act, the Commission has previously exempted certain self-regulatory organizations ("SROs") from the requirement to file proposed rule changes under Section 19(b) of the Act when incorporating another SRO's rules by reference.¹¹ Each such exempt SRO has agreed to be governed by the incorporated rules, as amended from time to time, but, has not been required to file a separate proposed rule change with the Commission each time the SRO whose rules are incorporated by reference seeks to modify its rules. In addition, each SRO incorporated by reference only regulatory rules (*e.g.*, margin, suitability, arbitration), not trading rules, and incorporated by reference whole categories of rules (*i.e.*,

did not "cherry-pick" certain individual rules within a category). Last, each exempt SRO had reasonable procedures in place to provide written notice to its members each time a change is proposed to the incorporated rules of another SRO in order to provide its members with notice of a proposed rule change that affects their interests, so that they would have an opportunity to comment on it.

In connection with this proposal, the Exchange respectfully requests, pursuant to Rule 240.0–12 under the Act,¹² an exemption under Section 36 of the Act from the rule filing requirements of Section 19(b) of the Act for changes to those MIAAX rules that are effected solely by virtue of a change to cross-referenced Cboe rules with respect to position limits on micro narrow-based index options. The Exchange proposes to incorporate by reference categories of rules (rather than individual rules within a category) that are not trading rules. The Exchange also agrees to provide written notice to Members of the specific Cboe rules that it will incorporate by reference. In addition, the Exchange will notify Members whenever Cboe proposes a change to the cross-referenced Cboe rules with respect to position limits for micro narrow-based index options.¹³ For the foregoing reasons, the Exchange believes that its request for exemptive relief is consistent with prior requests for, and provision of, similar exemptive relief. The Exchange notes that other options exchanges were approved by the Commission to incorporate by reference the applicable rules of Cboe with respect to position limits for micro narrow-based index options.¹⁴

Proposed Exercise Limits for Micro Narrow-Based Index Options

The Exchange proposes to amend Exchange Rule 1807(a) to provide that exercise limits for micro narrow-based index options shall be equivalent to the position limits prescribed for micro narrow-based index options with the nearest expiration date in proposed Exchange Rule 1805B. The Exchange notes that this approach to the proposed exercise limits for micro narrow-based index options is consistent with

⁹ See Exchange Rule 1805.

¹⁰ See MEMX Rule 29.7, available at <https://info.memxtrading.com/wp-content/uploads/2025/05/MEMX-Rulebook-5.14.25-clean.pdf> (last visited June 9, 2025); see also the Nasdaq Stock Market LLC ("Nasdaq") rules, Options 4A, Section 7, available at <https://listingcenter.nasdaq.com/rulebook/nasdaq/rules/Nasdaq%20Options%204A> (last visited June 9, 2025).

¹¹ See, *e.g.*, Securities Exchange Act Release No. 49260 (February 17, 2004), 69 FR 8500 (February 24, 2004). See also Securities Exchange Act Release Nos. 57478 (March 12, 2008), 73 FR 14521, 14539–40 (March 18, 2008) (order approving SR–NASDAQ–2007–004 and SR–NASDAQ–2007–080) and 53128 (January 13, 2006), 71 FR 3550, 3565–66 (January 23, 2006) (File No. 10–131) (approving NASDAQ's application for registration as a national securities exchange). See also Securities Exchange Act Release No. 95445 (August 8, 2022), 87 FR 49894 (August 12, 2022) (SR–MEMX–2022–10) (approving MEMX to adopt rules to govern the trading of options on the Exchange for a new facility called MEMX Options).

¹² 17 CFR 240.0–12.

¹³ The Exchange will provide such notice through a Regulatory Circular posted on the Exchange's website.

¹⁴ See Securities Exchange Act Release No. 95445 (August 8, 2022), 87 FR 49894 (August 22, 2022) (SR–MEMX–2022–10) (Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Adopt Rules To Govern the Trading of Options on the Exchange for a New Facility Called MEMX Options).

⁷ See *e.g.*, Cboe Rule 4.10(d), available at https://cdn.cboe.com/resources/regulation/rule_book/C1_Exchange_Rule_Book.pdf (last visited June 9, 2025); see also MEMX Rule 29.6(e), available at <https://info.memxtrading.com/wp-content/uploads/2025/02/MEMX-Rulebook-2.5.25.pdf> (last visited June 9, 2025).

⁸ 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.

determining exercise limits for broad-based index options, industry index options, and foreign currency index options, which are equivalent to the corresponding position limits prescribed for the above options contracts with the nearest expiration date in Exchange Rules 1804, 1805, and 1805A respectively. The Exchange also notes that other options exchanges have similar rules regarding exercise limits for micro narrow-based index options.¹⁵

The Exchange represents that it has in place adequate surveillance procedures to monitor trading in micro narrow-based index options in order to ensure the maintenance of fair and orderly markets. The surveillance program includes real-time patterns for price and volume movements and post-trade surveillance patterns (e.g., spoofing, marking the close, pinging, and phishing). The Exchange will apply those same program procedures to trading in micro narrow-based index options. The Exchange will review activities in the underlying components of the micro narrow-based indexes when conducting surveillances for market abuse or manipulation in the options on micro narrow-based indexes. Additionally, the Exchange is a member of the Intermarket Surveillance Group ("ISG") under the Intermarket Surveillance Group Agreement. ISG members work together to coordinate surveillance and investigative information sharing in the stock, options, and futures markets. In addition to obtaining surveillance data from the Exchange's affiliates, MIAX PEARL, LLC ("MIAX Pearl"), MIAX Emerald, LLC ("MIAX Emerald"), and MIAX Sapphire, LLC ("MIAX Sapphire"), the Exchange will be able to obtain information from Cboe, NYSE American LLC ("NYSE American"), and other markets through ISG. The Exchange also has a Regulatory Services Agreement with Financial Industry Regulatory Authority ("FINRA"). Pursuant to a multi-party 17d-2 joint plan, all options exchanges allocate regulatory responsibilities to FINRA to conduct certain options-related market surveillance that are common to rules of all options exchanges.

2. Statutory Basis

The Exchange believes that the proposed changes are consistent with Section 6(b) of the Act¹⁶ in general, and further the objectives of Section 6(b)(5) of the Act,¹⁷ in particular, in that it is 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 mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange believes that the proposal to adopt the definition and listing and maintenance criteria for micro narrow-based indexes expand the Exchange's capability to introduce and trade both existing and new and innovative index products on the Exchange System. The added capability is consistent with the Act in that it should foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, specifically options on micro narrow-based indexes. The Exchange believes that there may be unmet market demand on the Exchange for exchange-listed options on micro narrow-based indexes and the listing and trading of options on micro narrow-based indexes on the Exchange is designed to attract both liquidity and order flow to the Exchange, all to the benefit of the marketplace as a whole.

The Exchange believes that the requirements in the proposed listing standards regarding, among other things, the minimum market capitalization, trading volume, and relative weightings of an underlying index's component stocks are designed to ensure that the markets for the index's component stocks are adequately capitalized and sufficiently liquid, and that no one stock dominates the index. These requirements are designed to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest, by ensuring that unusual or extreme volatility in any single component of an index could not cause the entire index to become so volatile that it puts

investors at undue and unplanned risk. These requirements also minimize the potential for manipulating the underlying index, which protects investors and the public interest.

The Exchange further believes that the requirement in proposed Exchange Rule 1802(f)(8) that the current underlying index value will be reported at least once every 15 seconds during the time the index options are traded on the Exchange, and the requirement in proposed Rule 1802(g)(6) that the current underlying index value will be reported at least once every 15 seconds during the time the index options are traded on the Exchange removes impediments to the perfects the mechanisms of a free and open market and a national market system by providing transparency with respect to current index values and by contributing to the overall transparency of the market for index options. In addition, the Exchange believes that the requirement in proposed Rule 1802(f)(12) that cash settled index options are designated as A.M.-settled, rather than based on closing prices, should help to reduce the potential impact of expiring index options on the market for an index's component securities.

The Exchange's proposal to adopt Exchange Rule 1805B relating to position limits for micro narrow-based index options is designed to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest, by limiting investors' levels of concentration in a single index position. Not only would an investor be at undue risk by assuming such a position, but the market for the affected index option could be disproportionately affected by the trading activities of that single investor with an unusually large long or short position. The Exchange proposes to mitigate this risk by incorporating by reference the applicable rules of Cboe with respect to position limits for micro narrow-based index options traded on the Exchange and also on Cboe, which rules are designed for the protection of investors and the public interest. The Exchange notes that the proposed rule change is substantively similar to other option exchanges' rules regarding position limits for micro narrow-based index options.¹⁸

The Exchange's proposal to amend Exchange Rule 1807 relating to exercise limits for micro narrow-based index options is designed to remove

¹⁵ See MEMX Rule 29.9(a), available at <https://info.memxtrading.com/wp-content/uploads/2025/05/MEMX-Rulebook-5.14.25-clean.pdf> (last visited June 9, 2025); see also Cboe BZX Exchange, Inc. ("BZX") Rule 29.9, available at https://cdn.cboe.com/resources/regulation/rule_book/BZX_Exchange_Rulebook.pdf?_gl=1o*_up*MQ.*_ga*MjYxODk3MjQ1LjE3NDk0ODk5NTI.*_ga_5Q99WB9X71*czE3NDk0ODk5NTEkzbzEkZzAkddE3NDk0ODk5NTEkajYwJGwwJGgw (last visited June 9, 2025).

¹⁶ 15 U.S.C. 78f(b).

¹⁷ 15 U.S.C. 78f(b)(5).

¹⁸ See *supra* note 10.

impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest, by imposing limits on the aggregate number of options contracts that a Member could exercise. This is to minimize the potential for mini-manipulations and for corners or squeezes of the underlying market. In addition, such limits serve to reduce the possibility for disruption of the options market itself, especially in illiquid options classes. The Exchange also notes that other options exchanges have similar rules regarding exercise limits for micro narrow-based index options.¹⁹

The Exchange believes that the proposed changes to the hierarchical headings in the Exchange Rule 1801 and the cross reference in Exchange Rule 1802(a) will 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 rule changes will provide consistency and clarity in the Rulebook regarding the definitions and rule filing requirements that are applicable to index options. It is in the public interest for the Exchange's Rulebook to accurate.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Intra-Market Competition

The Exchange believes the proposed change will not impose any burden on intra-market competition that is not necessary or appropriate in furtherance of the purposes of the Act as the proposed rule change is substantively similar to rules already in place governing the listing and trading of options on micro narrow-based indexes at other exchanges.²⁰ Further, any micro narrow-based index options that the Exchange would list would be available to all market participants. The proposed rule changes will provide all investors that participate in the micro narrow-based index options market greater trading and hedging opportunities and flexibility to meet their investment and hedging needs. The proposed rule changes will facilitate the listing and trading of new index option products that will enhance competition among market participants, to the benefit of investors and the marketplace. The

Exchange further believes that the proposed rule changes will enhance intra-market competition, as more varied index products become available for trading on the Exchange, which should encourage a greater number of Market Makers²¹ to trade options on micro narrow-based indexes, resulting in greater liquidity and more competitive quoting on the Exchange.

Inter-Market Competition

The Exchange does not believe the proposal will impose any burden on inter-market competition that is not necessary or appropriate in furtherance of the purposes of the Act as the Exchange believes that the proposed rule change will enable the Exchange to compete for order flow in options on micro narrow-based indexes with other exchanges that currently have rules and functionality in place to list and trade options on micro narrow-based indexes. The proposal would enhance competition by providing investors with additional investment vehicles, in a fully-electronic trading environment, through which investors can gain and hedge exposure to micro narrow-based indexes. The Exchange notes that other options exchanges provide similar requirements for options on a micro narrow-based index.²²

The Exchange does not believe that the proposed changes to the hierarchical headings in Exchange Rule 1801 and the cross reference in Exchange Rule 1802(a) 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 because the rules of the Exchange apply to all Members equally. The proposed rule changes to the hierarchical headings and the cross reference will have no impact on inter-market competition as they are not designed to address any competitive issue but rather are designed to provide added clarity to the Rulebook regarding the definitions and rule filing requirements that are applicable to index options.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments were neither solicited nor received.

²¹ The term "Market Makers" refers to "Lead Market Makers," "Primary Lead Market Makers," and "Registered Market Makers" collectively. See Exchange Rule 100.

²² See *supra* notes 6, 7, 10, and 15.

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 Exchange 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. Please include File Number SR-MIAX-2025-27 on the subject line.

Paper Comments

- Send paper comments in triplicate to Vanessa Countryman, Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-MIAX-2025-27. 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

¹⁹ See *supra* note 15.

²⁰ See *supra* notes 6, 7, 10 and 15.

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–MIAX–2025–27 and should be submitted on or before July 29, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²³

J. Matthew DeLesDernier,
Deputy Secretary.

[FR Doc. 2025–12636 Filed 7–7–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235–0691]

Submission for OMB Review; Comment Request; Extension: Form Custody

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.*) (“PRA”), the Securities and Exchange Commission (“Commission”) is submitting to the Office of Management and Budget (“OMB”) this request for extension of the proposed collection of information provided for in Form Custody (17 CFR 249.639) under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*) (“Exchange Act”).

Section 17(a)(1) of the Exchange Act provides that broker-dealers registered with the Commission must make and keep records, furnish copies of the records, and make and disseminate reports as the Commission, by rule, prescribes. Pursuant to this authority, the Commission adopted Rule 17a–5 (17 CFR 240.17a–5), which is one of the primary financial and operational reporting rules for broker-dealers.¹ Paragraph (a)(5) of Rule 17a–5 requires every broker-dealer registered with the Commission to file Form Custody (17 CFR 249.639) with its designated examining authority (“DEA”) within 17 business days after the end of each calendar quarter and within 17 business days after the end of the broker-dealer’s

fiscal year if that date is not the end of a calendar quarter. Form Custody is designed to elicit information about whether a broker-dealer maintains custody of customer and non-customer assets, and, if so, how such assets are maintained.

The Commission estimates that there are approximately 3,470 broker-dealers registered with the Commission. As noted above, all broker-dealers registered with the Commission are required to file Form Custody with their DEA once each calendar quarter. Based on staff experience, the Commission estimates that, on average, it would take a broker-dealer approximately 12 hours to complete and file Form Custody, for an annual industry-wide reporting burden of approximately 166,560 hours.² Assuming an average cost per hour of approximately \$344 for a compliance manager, the total internal cost of compliance for the respondents is approximately \$57,296,640 per year.³

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 this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC’s estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

The public may view and comment on this information collection request at: https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202504-3235-022 or email comment to MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov within 30 days of the day after publication of this notice, by August 8, 2025.

² 3,470 brokers-dealers × 4 times per year × 12 hours = 166,560 hours.

³ 166,560 hours × \$344 per hour = \$57,296,640. \$344 per hour for a compliance manager is from SIFMA’s Management & Professional Earnings in the Securities Industry 2013, modified by Commission staff for an 1800-hour work-year and to account for bonuses, firm size, employee benefits, and overhead, and adjusted for inflation.

Dated: July 3, 2025.

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025–12687 Filed 7–7–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meetings

TIME AND DATE: 2:00 p.m. on Thursday, July 10, 2025.

PLACE: The meeting will be held via remote means and at the Commission’s headquarters, 100 F Street NE, Washington, DC 20549.

STATUS: This meeting will be closed to the public.

MATTERS TO BE CONSIDERED:

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the closed meeting. Certain staff members who have an interest in the matters also may be present.

In the event that the time, date, or location of this meeting changes, an announcement of the change, along with the new time, date, and/or place of the meeting will be posted on the Commission’s website at <https://www.sec.gov>.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (6), (7), (8), 9(B) and (10) and 17 CFR 200.402(a)(3), (a)(5), (a)(6), (a)(7), (a)(8), (a)(9)(ii) and (a)(10), permit consideration of the scheduled matters at the closed meeting.

The subject matter of the closed meeting will consist of the following topics:

Institution and settlement of injunctive actions;

Institution and settlement of administrative proceedings;

Resolution of litigation claims; and

Other matters relating to examinations and enforcement proceedings.

At times, changes in Commission priorities require alterations in the scheduling of meeting agenda items that may consist of adjudicatory, examination, litigation, or regulatory matters.

CONTACT PERSON FOR MORE INFORMATION:

For further information, please contact Vanessa A. Countryman from the Office of the Secretary at (202) 551–5400.

(Authority: 5 U.S.C. 552b.)

²³ 17 CFR 200.30–3(a)(12).

¹ Rule 17a–5 is subject to a separate PRA filing (OMB Control Number 3235–0123).

Dated: July 3, 2025.

J. Matthew DeLesDernier,
Deputy Secretary.

[FR Doc. 2025–12663 Filed 7–3–25; 11:15 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103371; File No. SR–NYSEARCA–2025–46]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Modify the NYSE Arca Options Fee Schedule To Restructure the Presentation of the Manual Billable Rebate Program

July 2, 2025.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (“Act”),² and Rule 19b–4 thereunder,³ notice is hereby given that on June 26, 2025, NYSE Arca, Inc. (“NYSE Arca” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. 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 modify the NYSE Arca Options Fee Schedule (“Fee Schedule”) to restructure the description of the Manual Billable Rebate Program. The Exchange proposes to implement this change effective June 26, 2025.⁴ The proposed rule change is available on the Exchange’s website at 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 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 purpose of this filing is to modify the Fee Schedule to restructure the description of the Manual Billable Rebate Program (the “Rebate Program”) to improve the readability of the Fee Schedule.

The Rebate Program is available to participants in the Floor Broker Fixed Cost Prepayment Incentive Program (the “FB Prepay Program”), which is an incentive program that allows Floor Brokers to that prepay certain of their annual Eligible Fixed Costs to be eligible for the Rebate Program.⁵

FB Prepay Participants receive a “base” rebate on manual billable volume of (\$0.08) per billable side, plus a “bonus” rebate of (\$0.02) per billable side if they achieve more than 500,000 billable sides in a month, payable back to the first billable side.⁶

In addition to the base and bonus rebates, FB Prepay Participants may earn another rebate tied to “Submitting Broker QCC Credits.”⁷ Specifically, FB Participants that “[a]chieve 3.5 million QCC contracts per month” (“QCC Tier 2”) are eligible to earn one of the two rebates as shown below.

- A (\$0.01) rebate per billable side if they achieve QCC Tier 2, plus execute manual billable sides equal to at least 10% of the QCC Tier 2 volume requirement (*i.e.*, execute at least 350,000 manual billable sides); or
- A (\$0.02) rebate per billable side if they achieve QCC Tier 2, plus execute manual billable sides equal to at least 20% of the QCC Tier 2 volume requirement (*i.e.*, execute at least 700,000 manual billable sides).⁸

A Floor Broker may only receive one of these two rebates tied to QCC Tier 2, retroactive to the first billable side.⁹

⁵ Manual billable volume includes transactions for which at least one side is subject to manual transaction fees and excludes QCCs, transactions described in Endnote 12, and any volume calculated to achieve Strategy Cap, regardless of whether this cap is achieved. *See* Fee Schedule, Floor Broker Fixed Cost Prepayment Incentive Program (the “FB Prepay Program”).

⁶ *See id.*

⁷ *See* Fee Schedule, Additional Submitting Broker QCC Credits (available to Floor Brokers that achieve QCC Tier 1 or QCC Tier 2).

⁸ *See* Fee Schedule, Floor Broker Fixed Cost Prepayment Incentive Program (the “FB Prepay Program”).

⁹ The Exchange currently places a \$3,000,000 per firm, monthly maximum limit on the rebates earned

Currently, the Exchange describes the Rebate Program, including the base and bonus rebates, in an introductory paragraph that is followed by a visual representation of these same rebates in a table titled “Manual Billable Rebate Program” (the “Table”). To reduce potential investor confusion, the Exchange proposes to remove the title of the Table (as redundant and unnecessary); to remove from the Table text that repeats the description of rebates already included in the introductory paragraph; and to correct a typographical error as described below.

First, because the base and bonus rebates are described in both the introductory paragraph and the Table, the Exchange proposes remove the repetitive title of the Table together with the rows that (again) describe the base and bonus rebates.¹⁰ Consistent with this change, the Exchange proposes to modify the introductory paragraph to remove the clause stating “[a]s shown in the table below. . .”.¹¹

The Exchange also proposes to modify the Table by capitalizing each word in the column setting forth the “Rebate per Billable Side” and, in that latter column, removing the word “Additional” in reference to the rebates associated with achieving QCC Tier 2.

Finally, regarding the table setting forth the “Additional Submitting Broker QCC Credits,” the Exchange proposes to relocate that text so that it appears as the title of the table rather than as a column heading and to re-name that column “Qualifying Volume,” which would add clarity, transparency, and internal consistency to the Fee Schedule. The Exchange believes these streamlining changes will add clarity and transparency to the Fee Schedule making it easier for investors to navigate and understand.

The Exchange is not proposing any substantive change to the FB Prepay Program or the Rebate Program.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,¹² in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,¹³ in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its

through the Manual Billable Rebate Program when combined with Submitting Broker QCC Credits *See* Fee Schedule, FB Prepay Program, endnote 17.

¹⁰ *See* proposed Fee Schedule, FB Prepay Program.

¹¹ *See id.*

¹² 15 U.S.C. 78f(b).

¹³ 15 U.S.C. 78f(b)(4) and (5).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b–4.

⁴ On June 11, 2025, the Exchange filed to amend the Fee Schedule (NYSEARCA–2025–43) and withdrew such filing on June 26, 2025.

facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The Exchange believes that the proposed rule change to restructure the presentation of the Rebate Program by deleting repetitive text and correcting a typographical error, is reasonable, equitable, and not unfairly discriminatory because such change would reduce the potential for investor confusion regarding rebates available to Floor Brokers participating in the FB Prepay Program, thus improving the readability of the Fee Schedule.

The proposed rule change is equitable and not unfairly discriminatory because it would impact all similarly situated market participants (*i.e.*, FB Prepay Participants) on an equal basis. The Exchange believes that the proposed change would promote investor protection and public interest because the restructured rule text would enhance and improve the readability of the Fee Schedule thus reducing any potential confusion regarding rebates available to all Floor Brokers participating in the FB Prepay Program.

The Exchange is not proposing any substantive change to the FB Prepay Program or the Rebate Program.

B. Self-Regulatory Organization's Statement on Burden on Competition

In accordance with Section 6(b)(8) of the Act, the Exchange does not believe that the proposed changes would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, as discussed above, the proposed change relates solely to restructuring the description of the Rebate Program and, accordingly, would not have any impact on intramarket or intermarket competition. The proposed change is designed to improve the readability of the Fee Schedule and to reduce (or avoid) any potential confusion regarding rebates available to Floor Brokers participating in the FB Prepay Program.

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. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change is effective upon filing pursuant to Section

19(b)(3)(A)¹⁴ of the Act and subparagraph (f)(2) of Rule 19b-4¹⁵ thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

At any time within 60 days of the filing of such 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 shall institute proceedings under Section 19(b)(2)(B)¹⁶ of the Act 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. Please include file number SR-NYSEARCA-2025-46 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-2025-46. 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-2025-46 and should be submitted on or before July 29, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁷

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025-12617 Filed 7-7-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 35666; 812-15810]

Hamilton Lane Private Assets Fund, et al.

July 3, 2025.

AGENCY: Securities and Exchange Commission ("Commission" or "SEC").

ACTION: Notice.

Notice of an application under section 6(c) of the Investment Company Act of 1940 (the "Act") for an exemption from sections 18(a)(2), 18(c) and 18(i) of the Act, under sections 6(c) and 23(c) of the Act for an exemption from rule 23c-3 under the Act, and for an order pursuant to section 17(d) of the Act and rule 17d-1 under the Act.

SUMMARY OF APPLICATION: Applicants request an order to permit certain registered closed-end investment companies to issue multiple classes of shares and to impose early withdrawal charges and asset-based distribution and/or service fees.

APPLICANTS: Hamilton Lane Private Assets Fund, Hamilton Lane Private Infrastructure Fund, Hamilton Lane Private Secondary Fund, Hamilton Lane Venture Capital and Growth Fund, Hamilton Lane Credit Income Fund and Hamilton Lane Advisors, L.L.C.

¹⁴ 15 U.S.C. 78s(b)(3)(A).

¹⁵ 17 CFR 240.19b-4(f)(2).

¹⁶ 15 U.S.C. 78s(b)(2)(B).

¹⁷ 17 CFR 200.30-3(a)(12).

FILING DATE: The application was filed on May 22, 2025 and amended on June 17, 2025.

HEARING OR NOTIFICATION OF HEARING:

An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing on any application by emailing the SEC's Secretary at Secretaries-Office@sec.gov and serving the Applicants with a copy of the request by email, if an email address is listed for the relevant Applicant below, or personally or by mail, if a physical address is listed for the relevant Applicant below. Hearing requests should be received by the Commission by 5:30 p.m. on July 28, 2025, and should be accompanied by proof of service on the Applicants, in the form of an affidavit, or, for lawyers, a certificate of service. Pursuant to rule 0–5 under the Act, hearing requests should state the nature of the writer's interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by emailing the Commission's Secretary.

ADDRESSES: The Commission: Secretaries-Office@sec.gov. Applicants: Keith Kleinman, Esq., Hamilton Lane Advisors, L.L.C., kkleinman@hamiltonlane.com, with copies to Ryan P. Brizek, Esq., Simpson Thacher & Bartlett LLP, ryan.brizek@stblaw.com.

FOR FURTHER INFORMATION CONTACT:

Trace W. Rakestraw, Senior Special Counsel, at (202) 551–6825 (Division of Investment Management, Chief Counsel's Office).

SUPPLEMENTARY INFORMATION: For Applicants' representations, legal analysis, and conditions, please refer to Applicants' application, dated June 17, 2025, which may be obtained via the Commission's website by searching for the file number at the top of this document, or for an Applicant using the Company name search field on the SEC's EDGAR system. The SEC's EDGAR system may be searched at <https://www.sec.gov/edgar/searchedgar/companysearch>. You may also call the SEC's Office of Investor Education and Advocacy at (202) 551–8090.

For the Commission, by the Division of Investment Management, under delegated authority.

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2025–12699 Filed 7–7–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235–0673]

Proposed Collection; Comment Request; Extension: Rule 15c3–5

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 proposed collection of information for Rule 15c3–5 (17 CFR 240.15c3–5) under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*) (“Exchange Act”). The Commission plans to submit this existing collection of information to the Office of Management and Budget (“OMB”) for extension and approval.

Rule 15c3–5 under the Exchange Act requires brokers or dealers with access to trading directly on an exchange or alternative trading system (“ATS”), including those providing sponsored or direct market access to customers or other persons, to implement risk management controls and supervisory procedures reasonably designed to manage the financial, regulatory, and other risks of this business activity.

The rule requires brokers or dealers to establish, document, and maintain certain risk management controls and supervisory procedures as well as regularly review such controls and procedures, and document the review, and remediate issues discovered to assure overall effectiveness of such controls and procedures. Each such broker or dealer is required to preserve a copy of its supervisory procedures and a written description of its risk management controls as part of its books and records in a manner consistent with Rule 17a–4(e)(7) under the Exchange Act. Such regular review is required to be conducted in accordance with written procedures and is required to be documented. The broker or dealer is required to preserve a copy of such written procedures, and documentation of each such review, as part of its books and records in a manner consistent with Rule 17a–4(e)(7) under the Exchange Act, and Rule 17a–4(b) under the Exchange Act, respectively.

In addition, the Chief Executive Officer (or equivalent officer) is required to certify annually that the broker or dealer's risk management controls and supervisory procedures comply with the

rule, and that the broker-dealer conducted such review. Such certifications are required to be preserved by the broker or dealer as part of its books and records in a manner consistent with Rule 17a–4(b) under the Exchange Act. Compliance with Rule 15c3–5 is mandatory.

Respondents consist of broker-dealers with access to trading directly on an exchange or ATS. The Commission estimates that there are currently 500 respondents. To comply with Rule 15c3–5, these respondents will spend a total of approximately 80,000 hours per year (160 hours per broker-dealer × 500 broker-dealers = 80,000 hours). At an average internal cost per burden hour of approximately \$447.92, the resultant total related internal cost of compliance for these respondents is \$35,833,500 per year (80,000 burden hours multiplied by approximately \$447.92/hour). In addition, for hardware and software expenses, the Commission estimates that the average annual external cost would be approximately \$20,500 per broker-dealer, or \$10,250,000 in the aggregate (\$20,500 per broker-dealer × 500 brokers and dealers = \$10,250,000).

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 this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

Please direct your written comments on this 60-Day Collection Notice to Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Tanya Ruttenberg via email to PaperworkReductionAct@sec.gov by September 8, 2025. There will be a second opportunity to comment on this SEC request following the **Federal Register** publishing a 30-Day Submission Notice.

Dated: July 3, 2025.

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025–12643 Filed 7–7–25; 8:45 am]

BILLING CODE 8011–01–P

DEPARTMENT OF STATE

[Delegation of Authority No. 586]

Re-Delegation of Authority To Invoke the Law Enforcement Privilege for Information Relating to Security Vetting of Visa Applicants

ACTION: Delegation of Authority.

SUMMARY: The State Department is publishing a Delegation of Authority signed by the Assistant Secretary of Administration, pursuant to Department of State Delegations of Authority.

DATES: Effective June 27, 2025.

FOR FURTHER INFORMATION CONTACT: Alice Kottmyer, Attorney-Adviser, Office of Management, 202–647–2199.

SUPPLEMENTARY INFORMATION: José E.V. Cunningham, Assistant Secretary for Administration, signed the following document on June 27, 2025. The State Department maintains the original document.

(Begin text.)

By virtue of the authority delegated to the Under Secretary of State for Management by the laws of the United States, as delegated by Department of State Delegations of Authority No. 514 and No. 575, I hereby re-delegate to the Assistant Secretary for Consular Affairs, to the extent authorized by law, the authority to invoke the law enforcement privilege with respect to information relating to security vetting of visa applicants and visa holders to the United States.

This re-delegation of authority does not revoke or otherwise affect any other delegation of authority currently in effect. The authority re-delegated herein may also be exercised, to the extent authorized by law, by the Secretary, the Deputy Secretary, the Deputy Secretary for Management Resources, and the Under Secretary for Management.

This re-delegation will be published in the **Federal Register**.

Signed José E.V. Cunningham, Assistant Secretary, Bureau of Administration, Department of State.

[End text]

Authority: 22 U.S.C. 2651a; 5 U.S.C. 552.

Alice M. Kottmyer,

Attorney-Adviser, Office of Management, Department of State.

[FR Doc. 2025–12670 Filed 7–7–25; 8:45 am]

BILLING CODE 4710–08–P

DEPARTMENT OF STATE

[Public Notice: 12762]

Revocation of the Foreign Terrorist Organization Designation of al-Nusrah Front, Also Known as Hay'at Tahrir al-Sham

In consultation with the Attorney General and the Secretary of the Treasury, I hereby revoke the designation of al-Nusrah Front, also known as Hay'at Tahrir al-Sham (and other aliases) as a Foreign Terrorist Organization pursuant to section 219(a)(6)(A) of the Immigration and Nationality Act (8 U.S.C. 1189(a)(6)(A)).

This determination shall be published in the **Federal Register**. The revocation goes into effect upon publication.

Dated: June 23, 2025.

Marco Rubio,

Secretary of State.

[FR Doc. 2025–12720 Filed 7–7–25; 8:45 am]

BILLING CODE 4710–AD–P

DEPARTMENT OF STATE

[Public Notice 12753]

60-Day Notice of Proposed Information Collection: Request for Department of State Personal Identification Card

ACTION: Notice of request for public comment.

SUMMARY: The Department of State is seeking Office of Management and Budget (OMB) approval for the information collection described below. In accordance with the Paperwork Reduction Act of 1995, we are requesting comments on this collection from all interested individuals and organizations. The purpose of this notice is to allow 60 days for public comment preceding submission of the collection to OMB.

DATES: The Department will accept comments from the public up to September 8, 2025.

ADDRESSES: You may submit comments by any of the following methods:

- *Web:* Persons with access to the internet may comment on this notice by going to www.Regulations.gov. You can search for the document by entering

“Docket Number: DOS–2025–0038 in the Search field. Then click the “Comment Now” button and complete the comment form.

- *Email:* FergusonJM3@state.gov.

Regular Mail: DS/DO/DFP, Harry S Truman, 2201 C St. NW, Washington, DC 20520–0000, Room B237.

You must include the DS form number (if applicable), information collection title, and the OMB control number in any correspondence.

FOR FURTHER INFORMATION CONTACT:

Direct requests for additional information regarding the collection listed in this notice, including requests for copies of the proposed collection instrument and supporting documents to John Ferguson, who may be reached on (202) 647–0511 or at fergusonjm3@state.gov.

SUPPLEMENTARY INFORMATION:

- *Title of Information Collection:* Request for Department of State Personal Identification Card.
 - *OMB Control Number:* 1405–0232.
 - *Type of Request:* Renewal of a currently approved collection.
 - *Originating Office:* Diplomatic Security, Domestic Operations, Security Support Division (DS/DO/DFP/SSD).
 - *Form Number:* DS–1838 and DS–7783.
 - *Respondents:* Department employees and contractors.
 - *Estimated Number of Respondents:* 13,500.
 - *Estimated Number of Responses:* 13,500.
 - *Average Time per Response:* 5 minutes.
 - *Total Estimated Burden Time:* 1,125 hours per year.
 - *Frequency:* On occasion (when new badge is required, or badge expires).
 - *Obligation to Respond:* Mandatory.
- We are soliciting public comments to permit the Department to:
- Evaluate whether the proposed information collection is necessary for the proper functions of the Department.
 - Evaluate the accuracy of our estimate of the time and cost burden for this proposed collection, including the validity of the methodology and assumptions used.
 - Enhance the quality, utility, and clarity of the information to be collected.
 - Minimize the reporting burden on those who are to respond, including the use of automated collection techniques or other forms of information technology.
- Please note that comments submitted in response to this Notice are public record. Before including any detailed personal information, you should be

aware that your comments as submitted, including your personal information, will be available for public review.

Abstract of Proposed Collection

The collection of the information requested on the DS-1838 and DS-7783 is necessary to comply with:

Homeland Security Presidential Directive 12 (HSPD-12) was issued August 27, 2004 to set policy for a common, reliable, and secure identification standard for federal employees and contractors for accessing federally controlled facilities and federal information systems. In order to keep Federal and other facilities where there is potential for terrorist attacks secure, wide variations in the quality and security of forms of identification need to be eliminated.

Federal Information Processing Standard Publication 201 (FIPS 201) is a United States federal government standard that specifies Personal Identity Verification (PIV) requirements for Federal employees and contractors. The NIST (National Institute of Standards and Technology) Computer Security Division initiated a new program for improving the identification and authentication of Federal employees and contractors for access to Federal facilities and information systems.

All Department employees and contractors are required to submit application for a Personal Identification Card (DS-1838 domestically or DS-7783 overseas) at the time of hire.

Methodology

Information is collected by a form (obtained from MyData forms) or automated badge request (ABR) online.

Gregory C. Batman,

*Deputy Assistant Secretary, Acting,
Diplomatic Security, Department of State.*

[FR Doc. 2025-12645 Filed 7-7-25; 8:45 am]

BILLING CODE 4710-43-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Notice of Request To Release Airport Property; Waterloo Regional Airport (ALO), Waterloo, Iowa

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of intent to rule on request to release airport property for land disposal.

SUMMARY: The FAA proposes to rule and invites public comment on the release and disposal of two parcels of land at

the Waterloo Regional Airport (ALO), Waterloo, Iowa.

DATES: Comments must be received on or before August 7, 2025.

ADDRESSES: Comments on this application may be mailed or delivered to the FAA at the following address: Amy J. Walter, Airports Land Specialist, Federal Aviation Administration, Airports Division, ACE-620G, 901 Locust, Room 364, Kansas City, MO 64106.

In addition, one copy of any comments submitted to the FAA must be mailed or delivered to: Steven Kjergaard, Director of Aviation, Waterloo Regional Airport, 2790 Livingston Lane, Waterloo, IA 50703, (515) 291-4483.

FOR FURTHER INFORMATION CONTACT:

Amy J. Walter, Airports Land Specialist, Federal Aviation Administration, Airports Division, ACE-620G, 901 Locust, Room 364, Kansas City, MO 64106, (816) 329-2603, amy.walter@faa.gov.

The request to release property may be reviewed, by appointment, in person at this same location.

SUPPLEMENTARY INFORMATION: The FAA invites public comment on the request to release approximately 12.84-acres of airport property at the Waterloo Regional Airport (ALO) under the provisions of 49 U.S.C. 47107(h)(2). The Director of Aviation has requested from the FAA two parcels totaling 12.84-acres of airport property be released from obligations and sold. The FAA determined the request to release and sell this property at the Waterloo Regional Airport (ALO) submitted by the Sponsor meets the procedural requirements of the Federal Aviation Administration and the release and sale of the property does not and will not impact future aviation needs at the airport. The FAA may approve the request, in whole or in part, no sooner than thirty days after the publication of this Notice.

The following is a brief overview of the request:

Waterloo Regional Airport (ALO) is proposing the release and sale of 12.84-acres of airport property. The release of land is necessary to comply with Federal Aviation Administration Grant Assurances that do not allow federally acquired airport property to be used for non-aviation purposes. The sale of the subject property will result in the release of land and surface rights at the Waterloo Regional Airport (ALO) from the conditions of the AIP Grant Agreement Grant Assurances. In accordance with 49 U.S.C. 47107(c)(2)(B)(i) and (iii), the airport

will receive fair market value when the parcel is sold.

Any person may inspect, by appointment, the request in person at the FAA office listed above under **FOR FURTHER INFORMATION CONTACT**. In addition, any person may request an appointment and inspect the application, notice and other documents determined by the FAA to be related to the application in person at the Waterloo Regional Airport.

Issued in Kansas City, MO on July 2, 2025.

Rodney N. Joel,

Director, FAA Central Region, Airports Division.

[FR Doc. 2025-12611 Filed 7-7-25; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

Agency Information Collection Activities: Information Collection Renewal; Submission for OMB Review; Identity Theft Red Flags and Address Discrepancies Under the Fair and Accurate Credit Transactions Act of 2003

AGENCY: Office of the Comptroller of the Currency (OCC), Treasury.

ACTION: Notice and request for comment.

SUMMARY: The OCC, as part of its continuing effort to reduce paperwork and respondent burden, invites comment on a continuing information collection, as required by the Paperwork Reduction Act of 1995 (PRA). In accordance with the requirements of the PRA, the OCC may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The OCC is soliciting comment concerning the renewal of its information collection titled, "Identity Theft Red Flags and Address Discrepancies under the Fair and Accurate Credit Transactions Act of 2003." The OCC also is giving notice that it has sent the collection to OMB for review.

DATES: Comments must be received by August 7, 2025.

ADDRESSES: Commenters are encouraged to submit comments by email, if possible.

You may submit comments by any of the following methods:

- *Email:* prainfo@occ.treas.gov.
- *Mail:* Chief Counsel's Office, Attention: Comment Processing, Office

of the Comptroller of the Currency, Attention: 1557–0237, 400 7th Street SW, Suite 3E–218, Washington, DC 20219.

- *Hand Delivery/Courier:* 400 7th Street SW, Suite 3E–218, Washington, DC 20219.

- *Fax:* (571) 293–4835.

Instructions: You must include “OCC” as the agency name and “1557–0237” in your comment. In general, the OCC will publish comments on www.reginfo.gov without change, including any business or personal information provided, such as name and address information, email addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Written comments and recommendations for the proposed information collection should also be sent within 30 days of publication of this notice to www.reginfo.gov/public/do/PRAMain. You can find this information collection by selecting “Currently under 30-day Review—Open for Public Comments” or by using the search function.

You may review comments and other related materials that pertain to this information collection following the close of the 30-day comment period for this notice by the method set forth in the next bullet.

- *Viewing Comments Electronically:* Go to www.reginfo.gov. Hover over the “Information Collection Review” tab and click on “Information Collection Review” from the drop-down menu. From the “Currently under Review” drop-down menu, select “Department of Treasury” and then click “submit.” This information collection can be located by searching OMB control number “1557–0237” or “Identity Theft Red Flags and Address Discrepancies under the Fair and Accurate Credit Transactions Act of 2003.” Upon finding the appropriate information collection, click on the related “ICR Reference Number.” On the next screen, select “View Supporting Statement and Other Documents” and then click on the link to any comment listed at the bottom of the screen.

- For assistance in navigating www.reginfo.gov, please contact the Regulatory Information Service Center at (202) 482–7340.

FOR FURTHER INFORMATION CONTACT:

Shaquita Merritt, Clearance Officer, (202) 649–5490, Chief Counsel’s Office,

Office of the Comptroller of the Currency, 400 7th Street SW, Washington, DC 20219. If you are deaf, hard of hearing, or have a speech disability, please dial 7–1–1 to access telecommunications relay services.

SUPPLEMENTARY INFORMATION: Under the PRA (44 U.S.C. 3501 *et seq.*), Federal agencies must obtain approval from the OMB for each collection of information that they conduct or sponsor.

“Collection of information” is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) to include agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. The OCC asks the OMB to extend its approval of the collection in this notice.

Title: Identity Theft Red Flags and Address Discrepancies under the Fair and Accurate Credit Transactions Act of 2003.

OMB Control No.: 1557–0237.

Type of Review: Regular.

Affected Public: Individuals; Businesses or other for-profit.

Description: Section 114 of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act) ¹ amended section 615 of the Fair Credit Reporting Act (FCRA) ² to require the Agencies ³ to jointly issue:

- Guidelines for financial institutions and creditors regarding identity theft with respect to their account holders and customers. (In developing the guidelines, the Agencies are required to identify patterns, practices, and specific forms of activity that indicate the possible existence of identity theft. The guidelines must be updated as often as necessary and cannot be inconsistent with the policies and procedures required under section 326 of the USA PATRIOT Act, (31 U.S.C. 5318(l));

- Regulations that require each financial institution and each creditor to establish reasonable policies and procedures for implementing the guidelines to identify possible risks to account holders or customers or to the safety and soundness of the institution or customers; and

¹ 15 U.S.C. 1681m(e).

² 15 U.S.C. 1681m.

³ Section 114 required the guidelines and regulations to be issued jointly by the Federal banking agencies (OCC, Board of Governors of the Federal Reserve System, and Federal Deposit Insurance Corporation), the National Credit Union Administration, and the Federal Trade Commission. Therefore, for purposes of this filing, “Agencies” refers to these entities. Section 1088(a)(8) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) further amended section 615 of FCRA to also require the Securities and Exchange Commission and the Commodity Futures Trading Commission to issue Red Flags guidelines and regulations.

- Regulations generally requiring credit and debit card issuers to assess the validity of change of address requests under certain circumstances.

Section 315 of the FACT Act ⁴ also amended section 605 of FCRA to require the Bureau of Consumer Financial Protection (CFPB), in consultation with the Agencies, to issue regulations providing guidance regarding what reasonable policies and procedures a user of consumer reports must have in place and employ when a user receives a notice of address discrepancy from a consumer reporting agency (CRA). These regulations are required to describe reasonable policies and procedures for users of consumer reports to:

- Enable a user to form a reasonable belief that it knows the identity of the person for whom it has obtained a consumer report; and
- Reconcile the address of the consumer with the CRA if the user establishes a continuing relationship with the consumer and regularly and, in the ordinary course of business, furnishes information to the CRA.

As required by section 114 of the FACT Act, appendix J to 12 CFR part 41 contains guidelines for financial institutions and creditors that are national banks, Federal savings associations, Federal branches or agencies of a foreign bank, or any of their operating subsidiaries that are not functionally regulated to use in identifying patterns, practices, and specific forms of activity that may indicate the existence of identity theft. In addition, 12 CFR 41.90 requires each financial institution or creditor that is a national bank, Federal savings association, Federal branch or agency of a foreign bank, and any of their operating subsidiaries that are not functionally regulated, to establish an Identity Theft Prevention Program (Program) designed to detect, prevent, and mitigate identity theft in connection with covered accounts. Pursuant to § 41.91, credit card and debit card issuers that are national banks, Federal savings associations, Federal branches or agencies of a foreign bank, or any of their operating subsidiaries that are not functionally regulated must establish and implement reasonable policies and procedures to assess the validity of a request for a change of address under certain circumstances.

Section 41.90 requires each OCC-regulated financial institution or creditor that offers or maintains one or more covered accounts to develop and implement a Program. In developing a

⁴ 15 U.S.C. 1681c(h)(2).

Program, financial institutions and creditors are required to consider the guidelines set forth in appendix J and include in its Program those guidelines that are appropriate. The initial Program must be approved by the institution's board of directors or by an appropriate committee thereof. The board, an appropriate committee thereof, or a designated employee at the level of senior management must be involved in the oversight, development, implementation, and administration of the Program. In addition, staff members must be trained, as necessary, to effectively implement the Program. Pursuant to § 41.91, each credit and debit card issuer is required to establish and implement policies and procedures to assess the validity of a change of address request if it is followed within a short period of time by a request for an additional or replacement card. Before issuing the additional or replacement card, the card issuer must notify the cardholder of the request at the cardholder's former address or by any other means of communication that the card issuer and cardholder have previously agreed to use and provide the cardholder a reasonable means to promptly report incorrect address changes or use another means to assess the validity of the change of address.

As required by section 315 of the FACT Act, 12 CFR 1022.82⁵ requires users of consumer reports to have in place reasonable policies and procedures that must be followed when a user receives a notice of address discrepancy from a CRA.

Section 1022.82 requires each user of consumer reports to develop and implement reasonable policies and procedures designed to enable the user to form a reasonable belief that a consumer report relates to the consumer about whom it requested the report when it receives a notice of address discrepancy from a CRA. A user of consumer reports also must develop and implement reasonable policies and procedures for furnishing a customer address that the user has reasonably confirmed to be accurate to the CRA from which it receives a notice of address discrepancy when the user can: (1) form a reasonable belief that the consumer report relates to the consumer about whom the user has requested the report; (2) establish a continuing relationship with the consumer; and (3) establish that it regularly and in the ordinary course of business furnishes

information to the CRA from which it received the notice of address discrepancy.

Estimated Burden: 111 hours for prior respondents, and 361 total hours for new respondents.

Estimated Frequency of Response: On occasion.

Estimated Number of Respondents: 1,172.

Estimated Total Annual Burden: 130,342 hours.

Comments: On May 2, 2025, the OCC published a 60-day notice for this information collection, (90 FR 18891). No comments were received.

Comments continue to be invited on:

(a) Whether the collection of information is necessary for the proper performance of the functions of the OCC, including whether the information has practical utility;

(b) The accuracy of the OCC'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 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.

Patrick T. Tierney,

Assistant Director, Office of the Comptroller of the Currency.

[FR Doc. 2025-12628 Filed 7-7-25; 8:45 am]

BILLING CODE 4810-33-P

UNIFIED CARRIER REGISTRATION PLAN

Sunshine Act Meetings

TIME AND DATE: July 10, 2025, 12:00 p.m. to 3:00 p.m., Eastern Time.

PLACE: This meeting will be accessible via conference call and via Zoom Meeting and Screenshare. Any interested person may call (i) 1-929-205-6099 (US Toll) or 1-669-900-6833 (US Toll), Meeting ID: 946 7762 4553, to listen and participate in this meeting. The website to participate via Zoom Meeting and Screenshare is <https://kellen.zoom.us/j/5FIS2ys7T7rFVvk28A>.

STATUS: This meeting will be open to the public.

MATTERS TO BE CONSIDERED: The Unified Carrier Registration Plan Dispute Resolution Subcommittee (the "Subcommittee") will conduct a

meeting to continue its work in developing and implementing the Unified Carrier Registration Plan and Agreement. The subject matter of this meeting will include:

Proposed Agenda

I. Call to Order—UCR Dispute Resolution Subcommittee Chair

The UCR Dispute Resolution Subcommittee Chair will welcome attendees, call the meeting to order, call roll for the Subcommittee, confirm whether a quorum is present, and facilitate self-introductions.

II. Verification of Publication of Meeting Notice—UCR Executive Director

The UCR Executive Director will verify the publication of the meeting notice on the UCR website and distribution to the UCR contact list via email followed by the subsequent publication of the notice in the **Federal Register**.

III. Review and Approval of Subcommittee Agenda and Setting of Ground Rules—UCR Dispute Resolution Subcommittee Chair

For Discussion and Possible Subcommittee Action

The Subcommittee Agenda will be reviewed, and the Subcommittee will consider adoption.

Ground Rules

➤ Subcommittee action only to be taken in designated areas on agenda

IV. Review and Approval of Subcommittee Minutes From the August 13, 2024 Meeting—UCR Dispute Resolution Subcommittee Chair

For Discussion and Possible Subcommittee Action

Draft minutes from the August 13, 2024 Subcommittee meeting will be reviewed. The Subcommittee will consider action to approve.

V. Discussion of the Dispute Resolution Procedure—UCR Dispute Resolution Subcommittee Chair and UCR Plan Legal Counsel

The UCR Dispute Resolution Subcommittee Chair and UCR Plan Legal Counsel will lead a discussion and review of the Dispute Resolution Procedure, a document that sets forth the procedures for processing and handling disputes and was last amended in January 2024.

VI. Other Business—UCR Dispute Resolution Subcommittee Chair

The UCR Dispute Resolution Subcommittee Chair will call for any

⁵ Title X of the Dodd-Frank Act transferred this regulation to the CFPB. The OCC retains enforcement authority for this regulation for institutions with \$10 billion or less in total assets.

other items Subcommittee members would like to discuss.

VII. Adjournment—UCR Dispute Resolution Subcommittee Chair

The UCR Dispute Resolution Subcommittee Chair will adjourn the meeting.

The agenda will be available no later than 5:00 p.m. Eastern time, July 2, 2025, at: <https://plan.ucr.gov>.

CONTACT PERSON FOR MORE INFORMATION:
Elizabeth Leaman, Chair, Unified Carrier Registration Plan Board of

Directors, (617) 305–3783, eleaman@board.ucr.gov.

Alex B. Leath,
Chief Legal Officer, Unified Carrier Registration Plan.

[FR Doc. 2025–12666 Filed 7–3–25; 11:15 am]

BILLING CODE 4910–YL–P



FEDERAL REGISTER

Vol. 90

Tuesday,

No. 128

July 8, 2025

Part II

The President

Proclamation 10955—160th Anniversary of the United States Secret Service, 2025

Presidential Documents

Title 3—

Proclamation 10955 of July 2, 2025

The President

160th Anniversary of the United States Secret Service, 2025

By the President of the United States of America

A Proclamation

On April 14, 1865, President Abraham Lincoln signed legislation authorizing the creation of the United States Secret Service, the very same day an assassin’s bullet tragically took his life. Ironically, the agency he established likely could not have saved him. Its original purpose was not protection, but preservation, tasked with ending the widespread counterfeiting that threatened to destabilize the post-Civil War economy. Less than 3 months later, on July 5, 1865, the Secret Service officially began operations within the Department of the Treasury.

Over time, the agency’s mission began to expand. Following the assassination attempt of William McKinley in 1901, the Congress entrusted the Secret Service with the solemn duty of protecting the President of the United States. What began as an effort to defend America’s currency became a lasting commitment to defend its highest office. Today, the Secret Service stands among the Nation’s most elite and storied law enforcement agencies, defined by honor, vigilance, and its enduring motto: “Worthy of Trust and Confidence.”

More than 8,000 men and women serve in the Secret Service, united by a mission that demands excellence, resilience, and steadfast loyalty. They protect the President and Vice President, their families, former presidents, major presidential candidates, and visiting foreign dignitaries. Their watch extends to the White House, the Vice President’s residence, National Special Security Events, and critical sites around the world. Agents undergo intense and rigorous training to earn their post, ensuring that only the most disciplined and determined are entrusted with this sacred duty. Even in moments of grave danger, these warriors stand firm, confronting threats with unshakable resolve, unmatched skill, and the quiet strength that defines the very best of American law enforcement.

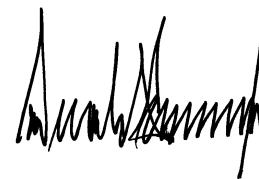
The United States Secret Service has stood as an unflinching shield against violence and mayhem, answering the call whenever danger arises to protect our national leadership. Agents have placed themselves in harm’s way to protect against the attempted assassinations of President-elect Franklin Roosevelt in 1933, President Harry Truman in 1950, President Gerald Ford in 1975, President Ronald Reagan in 1981, and two attempts against my own life in 2024. In each of these moments, they acted with split-second courage and absolute devotion to duty. I witnessed their bravery firsthand—calm under pressure, fearless in the face of danger, and wholly committed to the mission. Behind these historical incidents stand countless additional threats, lives protected without fanfare, and sacrifices made without recognition. To risk laying down one’s life for another is the most selfless act of patriotism and humanity, and I am forever indebted to the agents who risk everything to guard me from harm.

As we commemorate the 160th anniversary of the United States Secret Service, our Nation proudly honors the heroism, discipline, and unwavering commitment of every agent who have placed their lives in the line of fire so that our Republic, our freedom, and our glorious constitutional order may endure. Their bravery stands as a powerful testament to the spirit

of America, undaunted in the face of danger and resolute in the defense of liberty.

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 July 5, 2025, as the 160th Anniversary of the United States Secret Service. I call upon all Americans to offer our unending gratitude and respect to the 8,000 employees of the United States Secret Service in more than 150 offices across the country and abroad that serve on the edge of danger to defend the safety and security of our communities and uphold the sovereignty and strength of our Republic.

IN WITNESS WHEREOF, I have hereunto set my hand this second day of July, 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.



Reader Aids

Federal Register

Vol. 90, No. 128

Tuesday, July 8, 2025

CUSTOMER SERVICE AND INFORMATION

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